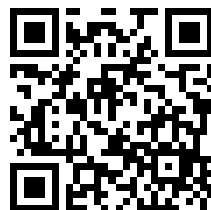

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DOCUMENTS ON BRITISH FOREIGN POLICY 1919-1939

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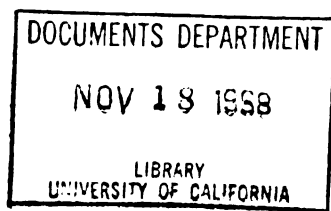
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FIRST SERIES

Volume XVI



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DOCUMENTS ON BRITISH FOREIGN POLICY

1919-1939

First Series, Volume XVI

Upper Silesia
March 22, 1921 — November 2, 1922

Germany
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PREFACE

THE first two Chapters (Part I) of this Volume, which follow on from Chapter I of Volume XI, deal with the problem of Upper Silesia from the plebiscite of March 20, 1921, to October 19, 1922, when the functions of the Inter-Allied Administrative and Plebiscite Commission in Upper Silesia (which had already been dissolved on July 17) were finally transferred to the Conference of Ambassadors in Paris. At various points the documentation in these two chapters needs to be supplemented by that referring to Upper Silesia in Volume XV, which deals with the international conferences held in 1921. Arrangements for the plebiscite were discussed in the Third Conference of London on February 21, and the problems arising from the disorders following the plebiscite came up for discussion at conversations in Paris on June 19. Following the crisis in Anglo-French relations—a crisis greatly aggravated by the Upper Silesian problem—at the Third Conference of Paris (August 8–13) the decision was reached to transfer the Upper Silesian frontier question to the Council of the League of Nations under Article 11, paragraph 2 of the Covenant (see No. 296). Although this decision, followed as it was by a degree of British and Italian co-operation in Upper Silesia and by more conciliatory action upon the part of the French, averted a tendency towards the breakdown of the Entente, the solution of the Upper Silesian frontier question was not quickly forthcoming. As our documents show, the Anglo-French antagonism on this issue was in some measure transferred to Geneva and remained inextricably bound up with the Anglo-French differences on other issues, notably that of Germany and the Near East.

Part II of this Volume (Chapters III to VII) deals with German problems, chiefly Reparation by Germany and Allied Military Control of Germany during the year 1921, thus continuing the documentation in Volume X, Chapters I–V. Here again the documentation in this Volume needs to be supplemented by that in Volume XV, for German problems were discussed at all the international conferences of 1921. Each conference, called to remove some impasse which had arisen in the course of day-to-day diplomatic exchanges, failed to produce truly workable solutions and, as often as not, gave rise to awkward compromises which produced in turn further complications and much haggling on points of detail. The conferences, which had necessarily to discuss extremely complicated economic and administrative matters, were usually hurried in the final stages and it was often far from clear what had actually been decided. Even a draft of an Allied Note might be ambiguous, as was the case with that of August 14, which communicated to the German Government the conditions upon which the Allied Powers were prepared to abolish the customs sanction in the Rhineland

(see Documents Nos. 670, 674, n. 1). Commenting upon the German reply of August 26 (No. 680, *Encl.* 2) to that Note and on other correspondence to which it had given rise, Mr. Waterlow (Central Department) on August 30 stated: 'If the Germans are cautious, it must be remembered that the terms of the allied note—hurriedly improvised as they were during the last moments of the Supreme Council—are in several respects not perfectly clear and precise.' The terms in dispute concerned the exact powers and procedures of an Allied licensing organization to be established in the Rhineland upon the withdrawal of the economic sanction. The whole dispute, however, went beyond a sheer matter of technical detail: it led the French Government again to question whether the German Government were acting in good faith; and it gave rise in the Foreign Office [see No. 687, n. 3] to the suspicion that the French were trying to cut the Rhineland economically from the rest of Germany or alternatively were deliberately seeking to delay the withdrawal of the economic sanction.

This particular dispute dragged on until December, 1921 (see Nos. 724, 742, 759). Meanwhile the French Government had repeatedly refused to ratify the financial agreement signed by the Finance Ministers in Paris on August 13—an agreement which in the main was an undertaking to honour previous agreements, certain concessions having been made by Belgium and Great Britain (see Nos. 739, 756). The grounds for their refusal were their insistence on the acceptance of the Franco-German (Loucheur-Rathenau) Agreement on reparation, which had been signed at Wiesbaden on October 6-7 and the suggestion that it should form the basis, by providing for payments in kind, of a new approach to the reparation problem¹ (see Nos. 705, 710, 711). The Foreign Office view was that the ratification of the August agreement 'must precede the initiation of discussions directed towards arriving at the new inter-allied agreement now in question' (see No. 730). But discussions that had taken place between the Treasury and the French Ministry of Finance—discussions of which the Foreign Office were not fully informed—prevented Lord Curzon from pressing this view (see Nos. 731, 737, 738, 739, 743, 756) as strongly as he had intended. At any rate, no solution was immediately forthcoming, and the whole situation was aggravated by Germany's notice on November 19 to the Reparation Commission of her inability, unless an advance could be obtained, to meet the January and February 1922 instalments of reparation payments (see No. 740) and by the British suggestion of a moratorium (see No. 747) which should be accompanied by some degree of control of German finance. Thus once again an impasse was reached. In these circumstances M. Briand and Mr. Lloyd George, meeting in London, December 19-22, decided to convene the Supreme Council at Cannes in the early New Year and to give it the task of discussing wider issues, notably the general economic situation of Europe. At the same time certain Anglo-French recommendations concerning the problem of German reparation were drawn up (see No. 767) for discussion at the forthcoming conference,

¹ For a summary of the Reparation question during 1921 see Nos. 464, 556, 767.

the preparation for the proposals for re-establishing better economic conditions in Europe being entrusted to a meeting of Allied Financial Delegates who met in Paris on December 29-31.

On the question of military control and disarmament of Germany, Anglo-French friction was perhaps less obviously acute than on the question of reparation, on which the French Government was under constant pressure from Parliament and public opinion. But on the issue of reparation and on that of Upper Silesia, not to mention the conflict on the Near Eastern question throughout 1921,¹ there were times when both sides hinted at a denunciation of the Entente. Certainly the Entente showed every sign of mortal sickness. In a memorandum on the Upper Silesian question (No. 236), Major Ottley (see No. 17, n. 1) made a comment which might be aptly made of any question covered in this Volume: 'Extricated from the mass of detail, in which it is involved, it stands as the symptom of the disease in the Entente, the fundamental divergence of policy between France and England'; and it is this divergence which stands out in this Volume in the somewhat querulous correspondence between the two Governments. Nevertheless each successive crisis subsided in efforts of both sides to restore a working arrangement. In a minute written at the time of the crisis of November and initialled by Lord Curzon (No. 747, n. 7), Sir Eyre Crowe wrote: '...from the point of view of general foreign policy, the maintenance of the Entente remains of supreme importance. Some of the Treasury and other Downing Street tendencies are towards the substitution of an Entente with Germany in place of that with France. This is a chimæra under present conditions and must remain so for a very long time to come. What we, and what the world wants, is peace. Peace must for the present rest on the execution of the peace treaties. These would hardly survive a breach between England and France at this moment.'

But although an advocate of the Entente, Lord Curzon was not disposed to work for an Anglo-French alliance, which the French, hoping to find a substitute for the abortive Anglo-American guarantee (1919) of the eastern frontier of France against unprovoked attack by Germany, had mooted in June 1921 (see No. 634) and again on four occasions towards the end of the year. His views are elaborated in document No. 768—a memorandum which is based upon a draft prepared by Sir Eyre Crowe and which supplements the documentation to be found in Cmd. 2169 of 1924 on the subject of negotiations for an Anglo-French Alliance.

The selection of the documents printed in this Volume was made before the Foreign Office archives up to the end of 1922 were opened to the general public, but, like my predecessor, I enjoyed, in accordance with standing conditions, access to all papers in these archives and freedom of selection and arrangement. In editing these documents, I have adopted the format of previous volumes in this series and I have used the asterisk at the head of

¹ Documents on the Near Eastern question will be printed in Volume XVII.

documents to denote that the text, for reasons explained in the Preface to Volume XIII, has been taken from Confidential Print.

I have to thank the Librarian of the Foreign Office, Mr. C. J. Child, O.B.E., and his staff for unfailing assistance in the preparation of this volume. I have also to thank my colleagues for their advice, and in particular I must express my gratitude for assistance given by Miss I. Bains, M.A., Miss V. Codd, B.A., and, in the later stages of preparation, by Miss S. Court, B.A., and Miss J. Cooper, M.A., who, besides reading proofs, saw the volume through its final stages.

DOUGLAS DAKIN

April, 1967

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LIST OF ABBREVIATIONS

<i>B.F.S.P.</i>	<i>British and Foreign State Papers</i> (London).
Cmd.	Command Paper (London).
D'Abernon	Viscount D'Abernon, <i>An Ambassador of Peace</i> , vols. i and ii (London, 1929).
<i>Documents . . . réparations</i>	Documents relatifs aux réparations (Ministère des Affaires Étrangères), vol. i (Paris, 1922).
<i>F.R.U.S.</i>	<i>Papers relating to the Foreign Relations of the United States</i> (Washington).
<i>H.C. Deb. 5 s.</i>	<i>Parliamentary Debates (Hansard), Official Report, 5th Series</i> , House of Commons (London).
<i>L/N.O.J.</i>	<i>League of Nations Official Journal</i> (Geneva).
<i>Reparation Commission Report (1920-2)</i>	<i>Reparation Commission. Report on the work of the Reparation Commission from 1920 to 1922</i> (London, 1923).
Wambaugh	Sarah Wambaugh, <i>Plebiscites since the World War</i> , vols. i and ii (Washington, 1933).

CHAPTER SUMMARIES

PART I. UPPER SILESIA

CHAPTER I

The Disorders in Silesia following the Plebiscite March 22–July 8, 1921

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
	1921		
1 To COL. PERCIVAL Oppeln Tel. unnumbered	Mar. 22	Informs of H.M.G.'s view that recognition of German claims to whole plebiscite area is the only efficacious solution: French opposition expected: unanimous report by Commission desirable.	1
2 MR. MAX MULLER Warsaw Tel. No. 166	Mar. 24	Reports M.F.A.'s reactions to plebiscite, his disappointment and view that entire responsibility now rested on Inter-Allied Commission and Supreme Council, his regret at premature public rejoicings.	2
3 COL. PERCIVAL Oppeln Tel. No. 47	Mar. 24	Reports latest voting results, and outbreaks of terrorism by Polish bands in pro-Polish districts: German President's proclamation claiming whole of Upper Silesia.	2
4 COL. PERCIVAL Oppeln Tel. No. 49	Mar. 26	Reports continuing Polish terrorism: situation not yet alarming but German reprisals possible.	3
5 COL. PERCIVAL Oppeln Tel. No. 53	Mar. 29	Reports Prince Hatzfeldt's views (i) on possibility of allocation to Poland of Pless and Rybnik districts, and of military activity when Allied decisions are announced, (ii) on necessity for retention in Upper Silesia of Allied troops.	4
6 COL. PERCIVAL Oppeln Tel. No. 54	Mar. 30	Asks whether he should support Italian proposal to allot to Poland Pless and Rybnik districts and small strips of territory on E. border. <i>Note 2.</i> Instructions to support Italian compromise.	4
7 MR. MAX MULLER Warsaw No. 210	Mar. 30	Arguments in favour of supporting a modified Polish claim to industrial district nearest to Polish frontier.	5
8 MR. HEADLAM-MORLEY Foreign Office	Mar. 31	Memo. on Upper Silesia and East Galicia: advantages of treating these two frontier problems together.	8
9 MR. MAX MULLER Warsaw Tel. No. 178	Apr. 1	Reports M.F.A.'s reaction to Polish terrorism in Upper Silesia: inquiries being made but German provocation doubtless the cause: M.F.A.'s assurance of Polish Govt.'s support of any action taken by Plebiscite Commission.	10

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
10 COL. PERCIVAL Oppeln Tel. No. 55	Apr. 4	Reports conversation with Polish Consul-General and advice he gave, on request, as to steps which Polish Govt. could take to improve situation: considers terrorism not due to German provocation and that it could be stopped by action through Polish press.	11
11 To LORD HARDINGE Paris Tel. No. 155	Apr. 4	Informs of imminent withdrawal from Silesia of four British battalions due to crisis in England following miners' strike: instructions to explain situation to M. Briand.	12
12 LORD HARDINGE Paris Tel. No. 185	Apr. 5	Refers to No. 11 and reports M. Briand's agreement to withdrawal of British troops.	13
13 MR. HEADLAM-MORLEY Foreign Office	Apr. 6	Detailed memo. on the Upper Silesian plebiscite: concludes that for the industrial area it has failed to provide final solution: refers to his suggestion in No. 8.	14
		<i>Encl.</i> Historical account of the origin of Upper Silesian plebiscite.	20
14 To LORD D'ABERNON Berlin No. 373	Apr. 7	Informs of conversation with German Ambassador who made formal representation, similar to that being made at Paris and at Rome, in favour of assignment to Germany of whole of Upper Silesia: reasons for proposal summarized: H.M.G. not expected to receive German deputation.	33
15 SIR E. CROWE Foreign Office	Apr. 9	Record of conversation with Italian Ambassador who told him of suggestion for direct German-Polish settlement of Upper Silesia boundaries and Italian Govt.'s welcome of such a solution.	35
16 SIR E. CROWE Foreign Office	Apr. 11	Record of conversation with (a) Polish Chargé d'Affaires who argued in favour of 2/3rds of Upper Silesia, including whole of industrial district, being given to Poland, (b) German Ambassador. H.M.G.'s inability to discuss Upper Silesia question until Commission's report is received.	35
17 MAJOR OTTLEY Foreign Office	Apr. 11	Memo. on economic aspects of Upper Silesian question to be considered, in conjunction with results of plebiscite, in determining German-Polish boundary.	36
18 MR. MAX MULLER Warsaw Tel. No. 190	Apr. 13	Polish delegations being sent to London, Paris, and Rome to influence opinion in Poland's favour: activity due probably to attacks on Prime Minister and his administration.	42
19 To MR. MAX MULLER Warsaw Tel. No. 96	Apr. 18	Refers to No. 18: instructs to inform Polish Govt. of H.M.G.'s inability to receive suggested delegation and of communication made to German Ambassador in No. 14.	42

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
20 LORD HARDINGE Paris Tel. No. 216	Apr. 20	Reports that (a) M. Briand agrees with H.M.G.'s views regarding reception of Polish and German deputations, (b) he himself refused German Ambassador's request to receive German merchant from Upper Silesia.	43
21 MR. MAX MULLER Warsaw Tel. No. 201	Apr. 21	Refers to No. 19: anticipates M.F.A. will claim right of both sides to state their case to Govts: impression in Warsaw that H.M.G. is prejudiced against Poland.	43
22 COL. PERCIVAL Oppeln Tel. No. 65	Apr. 23	Transmits plebiscite figures: reports discussion of them and views of Gen. Le Rond and Gen. de Marinis on division of Upper Silesia.	44
23 To COL. PERCIVAL Oppeln Tel. No. 30	Apr. 24	Instructions to transmit message from M. Briand and British P.M. that report of Commission should be received by April 29 for consideration by Supreme Council.	45
24 To COL. PERCIVAL Oppeln Tel. No. 32	Apr. 25	Refers to No. 23: desirable that Commission's report should be unanimous, failing which British and Italian Commissioners should transmit majority report: H.M.G.'s views of economic considerations to be urged upon the French.	46
25 COL. PERCIVAL Oppeln Tel. No. 67	Apr. 26	Refers to No. 23: reports (1) no agreement yet reached by Commission, (2) Gen. Le Rond claims for Poland S.E. and E. plebiscite area, including industrial area on grounds majority of rural communes voted Polish, (3) Gen. de Marinis would award besides Pless and Rybnik the E. fringe of Kattowitz to Poland. <i>Note 3.</i> Intention of British and Italian Commissioners to submit joint report.	46
26 GEN. LE ROND Oppeln	Apr. 30	Letter informing Mr. Lloyd George that Plebiscite Commission is unable to submit unanimous report: transmits separate reports. <i>Note 4.</i> The 'Le Rond line'. <i>Note 5.</i> The 'Percival-Marinis' proposals.	47
27 COL. PERCIVAL Oppeln Tel. No. 78	May 3	Reports Polish insurrection in Pless, Rybnik, and E. border of industrial area: requests Polish Govt. be reminded of promise to close frontier.	49
28 To COL. PERCIVAL Oppeln No. 54	May 4	Informs of H.M.G.'s views that Plebiscite Commission is not competent to interpret the economic clauses of Treaty of Versailles and should not therefore establish special department for issue of export and import permits.	49
29 MR. MAX MULLER Warsaw Tel. No. 217	May 5	Reports (1) that when Vice-M.F.A. read to him Polish Govt. report on insurrection in Upper Silesia, he replied stating need for plain disavowal, prevention of incursions, and issue of proclamation to	51

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		Polish people in categorical terms, (2) that French Minister, who made similar representations, agrees that Polish Govt. is not privy to insurrectionary movement.	
30 MR. MAX MULLER Warsaw Tel. No. 222	May 5	Reports press accounts that Korfanty, having severed connexion with Polish Govt., has assumed leadership of insurrectionary movement; adds that state of siege has been proclaimed by Inter-Allied Commission.	52
31 COL. PERCIVAL Oppeln Tel. No. 85	May 6	Reports that insurgent forces are highly organized and though resisted (principally by Italian troops) have achieved objective of occupying the Korfanty line, though Commission troops still hold the towns. Commission fears negotiations with Korfanty would provoke German hostility and civil war.	53
32 LORD KILMARNOCK Berlin Tel. No. 195	May 6	Reports German Govt.'s view that four British battalions (see No. 11) should return to Upper Silesia.	54
33 To LORD HARDINGE Paris Tel. No. 223	May 6	Instructions that Ambassadors' Conference should be moved to proclaim to inhabitants of Upper Silesia Allied determination to execute provisions of Treaty.	54
34 To COL. PERCIVAL Oppeln Tel. No. 36	May 6	Refers to No. 36; asks what reinforcements will be required.	55
35 MR. MAX MULLER Warsaw Tel. No. 224	May 6	Reports conversation with Marshal Pilsudski who blames Gt. Britain for events in Upper Silesia and who states Polish Govt. is unable to act against feeling of the country and press: suggests that Allied Govts. address stern warning to Polish Govt. <i>Note 3.</i> Heads of British, French, and Italian Military Missions to Poland doubt truth of reported intention of Polish regulars to enter Pless.	55
36 To LORD HARDINGE Paris Tel. No. 222	May 6	Instructions to ascertain whether French and Italian Govts. are prepared to send reinforcements to Upper Silesia and to propose to Ambassadors' Conference in order to reduce area of disturbance (1) handing over to Germany and Poland of undisputed areas, (2) transfer of Commission and Allied troops to disputed area, (3) working definition in geographical terms of areas in question, (4) resolution that such arrangements should not prejudice final division of disputed area. <i>Note 2.</i> H.M.G.'s proposals rejected by Inter-Allied Military Committee of Versailles.	57

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
37 MR. MAX MULLER Warsaw Tel. No. 226	May 6	Reports (1) statement of German Chargé d'Affaires that Polish Ministry of Interior have resolved to support insurgents, (2) hostile demonstrations outside H.M. Legation. <i>Note 3.</i> Enlistment of 3,000 Germans to replace Polish deserters from Upper Silesian police.	58
38 LORD HARDINGE Paris Tel. No. 256	May 7	Refers to Nos. 36 and 33: reports decisions of Conference of Ambassadors to refer H.M.G.'s proposals to Inter-Allied Military Committee of Versailles, to give warning to Polish Minister in Paris, and to instruct Plebiscite Commission to issue a proclamation: adds that French and Italian Govts. are unlikely to send reinforcements to Upper Silesia or accept H.M.G.'s proposals.	59
39 COL. PERCIVAL Oppeln Tel. No. 90	May 7	Refers to No. 36: considers local police troops should be increased from 6,000 to 8,000 and Allied troops by 10,000, preferably not French: reports renewed insurgent activity.	60
40 LORD KILMARNOCK Berlin Tel. No. 198	May 8	Reports fear expressed by M.F.A. that, if Allied Govts. fail to maintain order in Upper Silesia, German Govt. would be unable to restrain German elements within and outside plebiscite area: states that situation diminishes chance of German acceptance of Allied ultimatum of May 5.	61
41 COL. PERCIVAL Oppeln Tel. No. 91	May 8	Reports (1) demand of German leaders for British troops and Reichswehr to restore order, (2) Korfanty's refusal to withdraw insurgents unconditionally, (3) Italian Commissioner's support of H.M.G.'s proposals in No. 36.	61
42 TO LORD HARDINGE Paris Tel. No. 231	May 8	Refers to No. 36: instructions to propose to Ambassadors' Conference an Allied communication to Polish Govt. pointing out their omission to remove Korfanty from Upper Silesia and their support of regular Polish military formations crossing the frontier, and warning them that damage to German property or frustration of operation of the Treaty may well affect Allied decision on plebiscite.	62
43 COL. PERCIVAL Oppeln Tel. No. 92	May 8	Reports (1) insurgents' demands communicated to Gen. de Brantes and Korfanty's modified conditions, (2) Commission's reply and counter-demands to be made by Gen. de Brantes.	63
44 MR. MAX MULLER Warsaw Tel. No. 235	May 8	Refers to Nos. 36 and 38: expresses view that nothing should be done which might either be interpreted as recognizing Korfanty's success or produce outburst of indignation in Poland.	64

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
45 LORD HARDINGE Paris Tel. No. 258	May 9	Reports that (1) Conference of Ambassadors' considered report of Inter-Allied Military Committee of Versailles which rejected H.M.G.'s proposals in No. 36, (2) French Govt. had no counter-proposals to make, (3) Conference agreed to make protest to Polish Govt. on lines of No. 42 and representations to the German Govt., (4) French and Italian Govts. stated they could not send reinforcements to Upper Silesia and asked whether British troops would be available.	65
46 LORD HARDINGE Paris Tel. No. 261	May 9	Reports his protest to Conference of Ambassadors against leakage to press of H.M.G.'s proposals (see No. 36) and of report of Inter-Allied Military Committee: attitude of French press.	67
47 MR. MAX MULLER Warsaw Tel. No. 239	May 9	Refers to No. 42: expresses view that Polish Govt. were not responsible for outbreak of insurrection, doubts whether Polish regular formations have crossed frontier, and gives reasons why Polish Govt. have insufficient troops on frontier.	68
48 COL. PERCIVAL Oppeln Tel. No. 95	May 10	Reports that there is no improvement in situation in plebiscite area.	69
49 COL. PERCIVAL Oppeln Tel. No. 96	May 10	Refers to No. 48: British district controllers consider French colleagues guilty of partisanship towards Poles.	69
50 To LORD HARDINGE Paris Tel. No. 233	May 10	Refers to No. 38: instructions to press energetically at Ambassadors' Conference for adoption of H.M.G.'s proposal in No. 42 and for that in No. 36 or, alternatively, for immediate examination of the Plebiscite Commission's report by the Conference of Ambassadors or in London.	70
51 To LORD HARDINGE Paris Tel. No. 234	May 10	Refers to No. 50: instructions to point out ineffectiveness of French troops in Upper Silesia and need for conjoint Allied representations to Polish Govt.	71
52 COL. PERCIVAL Oppeln Tel. No. 97	May 11	Refers to No. 43 and reports (1) that Korfanty, having accepted demands, has ordered insurgents to cease fire, (2) that German forces under Gen. von Arnim are collecting at Kreutzburg.	72
53 LORD HARDINGE Paris Tel. No. 266	May 11	Refers to Nos. 50 and 51: Conference of Ambassadors' note to Polish Govt. represents utmost limit French are prepared to go: reasons for rejection of H.M.G.'s proposals in No. 36 not without force: Conference of Ambassadors, owing to French attitude, just as incapable as Plebiscite Commission of reaching unanimous report: impolitic to refer in presence of Marshal Foch to ineffectiveness of French forces. <i>Note 5. Allied note of May 9 to Polish Govt.</i>	73

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
54 MR. MAX MULLER Warsaw Tel. No. 242	May 11	Refers to No. 45: identic note (of May 9) presented on May 10: reports that in conversation with M. Dabski he pointed out that speech by M. Witos of May 10 was not, as claimed, a satisfactory denial of Govt. support of insurrection.	74
55 To LORD HARDINGE Paris Tel. No. 244	May 13	Instructions to inform M. Briand that P.M. and Earl Curzon are prepared to come at any date to Boulogne for meeting: H.M.G. unable to accept French attitude and situation described in No. 53.	75
56 COL. PERCIVAL Oppeln Tel. No. 103	May 13	Reports that Commission publicly stated it would not negotiate with Korfanty and that Gen. Le Rond, despite Commission's proclamation of May 3, refused to employ, without special authority of his Govt., mobile columns advocated by Gen. de Marinis: intimates desire to resign and suggests withdrawal of British section.	76
57 SIR G. BUCHANAN Rome Tel. No. 165	May 13	Refers to No. 612, n. 1: reports that M.F.A. has sent serious warning to Polish Govt., is opposed to cession of whole industrial area to Poland, favours fixing frontier on basis of nationality, and prefers question being dealt with by Conference of Ambassadors.	77
58 LORD HARDINGE Paris Tel. No. 269	May 13	Reports that at Conference of Ambassadors he stated that agreement with Korfanty (see No. 52) was complete capitulation to insurgents: Italian Ambassador gave support, adding that only basis for agreement was restoration of Commission's authority.	78
59 LORD D'ABERNON Berlin Tel. No. 218	May 13	Records conversation with new German Chancellor, Dr. Wirth, who stated that Korfanty would yield only to force and that, as French troops fraternized with Poles, British reinforcements should be sent: reports that he urged Dr. Wirth to keep German population in hand.	79
60 LORD HARDINGE Paris Tel. No. 270	May 13	Reports handing to M. Briand an <i>aide-mémoire</i> based on No. 55: records conversation with M. Briand who claimed to have exercised utmost pressure on Polish Govt., attributed situation to lack of troops, denied it was French policy to give whole industrial area to Poland, and agreed to an informal meeting at Boulogne prior to meeting of Supreme Council.	80
61 LORD HARDINGE Paris Tel. No. 271	May 13	Refers to No. 60: instructions in No. 51 arrived too late for action to be taken at Conference of Ambassadors on May 13.	81
62 LORD HARDINGE Paris Tel. No. 272	May 13	Refers to No. 46: reports French Govt.'s denial of responsibility for leakages to the press and French counter-accusation of leakage in London.	82

Note 2. Instructions to deny French accusation.

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
63 LORD HARDINGE Paris Tel. No. 273	May 13	Transmits report that M. Briand is said to have given assurances that, if German regular troops enter Upper Silesia, the French will occupy the Ruhr.	83
64 LORD HARDINGE Paris Tel. No. 275	May 14	Reports comments of the French press on P.M.'s speech of May 13.	83
65 COL. PERCIVAL Oppeln Tel. No. 107	May 14	Refers to No. 58 and asserts that statements in it are misinterpretation of No. 52: adds that it was made clear that Plebiscite Commission would bind itself to no conditions.	84
66 M. BRIAND Paris	May 14	Replies to British <i>aide-mémoire</i> (see No. 60) and asserts (1) that H.M.G.'s proposals in No. 36 are impractical militarily and conflict with Treaty of Versailles, (2) that French policy is not as stated by H.M.G. to give whole industrial area to Poland but to base frontier on vote by communes and on economic and geographical considerations.	85
67 MR. MAX MULLER Warsaw Tel. No. 253	May 15	Summarizes Polish Govt.'s note of May (?) 15 asking for explanation of statement in P.M.'s speech of May 13 that there was no objection to Germany restoring peace in one of her provinces and calling attention to Art. 88 of Treaty of Versailles.	89
68 To COL. PERCIVAL Oppeln Tel. No. 45	May 16	Requests urgently precise information of French troops' acquiescence and complicity in insurgent movement.	90
69 To COL. PERCIVAL Oppeln Tel. No. 46	May 16	Refers to No. 56: refuses to consider proposed resignation of British Mission in Silesia.	90
70 To SIR M. CHEETHAM Paris Tel. No. 250	May 16	Refers to No. 63: instructions to remind French Govt. of San Remo agreement that none of Allied Govts. would take separate coercive action and to state clearly that H.M.G. would regard invasion of German territory as endangering the alliance.	90
71 To SIR G. BUCHANAN Rome Tel. No. 197	May 16	Refers to No. 60: instructions to bring reports from Oppeln to attention of Italian Govt. and to ask whether they are prepared to support H.M.G. in resisting attempt of Polish partisans to frustrate the operation of Treaty of Versailles.	91
72 To MR. MAX MULLER Warsaw Tel. No. 125	May 16	Instructions to protest to Polish Govt. against dissemination of false report that Reichswehr detachments were in action at Kandrzin.	93
73 SIR E. CROWE Foreign Office	May 16	Record of conversation with M. de Martino in which (1) assurance was given that proposed meeting of M. Briand and P.M. (see Nos. 55 and 60) was not attempt to ignore Italian Govt. whose co-operation in Upper Silesian question had been re-	93

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		quested by H.M.G. (see No. 71), (2) M. de Martino undertook to ask his Govt. whether they would support H.M.G. in deterring French Govt. from invading the Ruhr.	
74 Mr. MAX MULLER Warsaw Tel. No. 256	May 17	Reports intimation from reliable source that M. Witos would welcome message that H.M.G. would consider practical proposals from Polish Govt. for restoring tranquillity in Upper Silesia. <i>Note 3.</i> Report that Polish M.F.A. had informed M. Briand of his intended energetic reply to P.M.'s speech of May 13 (see No. 64).	95
75 COL. PERCIVAL Oppeln Tel. No. 112	May 17	Reports that P.M.'s speech of May 13 has had calming effect on German population.	95
76 COL. PERCIVAL Oppeln Tel. No. 113	May 17	Reports that German leaders have requested that British officers should transform increasing German bands into security police force and points out that while British officers have restrained these bands proposed transformation would never be countenanced by the French. <i>Note 1.</i> Request of Polish insurgents that zones they evacuate should be occupied by Allied troops.	96
77 COL. PERCIVAL Oppeln Tel. No. 114	May 17	Refers to No. 56: reports instances of failure of French to make guns available to British and Italian officers.	96
78 To Mr. MAX MULLER Warsaw Tel. No. 126	May 17	Refers to No. 74: if Polish Govt. seriously restrain insurgents and undertake to accept final decision of Supreme Council H.M.G. would be predisposed to consider favourably proposals they may submit.	97
79 To Sir M. CHEETHAM Paris Tel. No. 252	May 17	Refers to No. 60: instructions to propose to M. Briand that meeting at Boulogne be converted into Supreme Council and that U.S. Govt. be invited to be represented.	98
80 To Sir A. GEDDES Washington Tel. unnumbered	May 17	Instructions to keep U.S. Govt. fully informed on Silesian question. <i>Note 2.</i> British memo, communicated on May 17 to American Ambassador.	98
81 To Sir G. BUCHANAN Rome Tel. unnumbered	May 17	Instructions to report fully on state of Italian opinion and to make British view known in Italy. <i>Note 2.</i> Italian press approves attitude of H.M.G.	98
82 Sir G. BUCHANAN Rome Tel. No. 172	May 17	Refers to No. 71: reports that M.F.A., who is relieved to hear that M. Briand no longer insists on cession of whole industrial area to Poland, favours early decision by Supreme Council based on principle of nationality.	99

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
83 MR. MAX MULLER Warsaw	May 17	Letter to Sir E. Crowe stating that Polish Govt. failed to prepare public opinion for disappointment prior to the plebiscite and to control it afterwards; blaming the French Govt. and French military authorities more than Polish Govt. and suggesting that an international Commission should disarm both sides and control either the whole or disputed area.	100
84 To SIR M. CHEETHAM Paris Tel. No. 255	May 18	Instructions to inform French Govt. that H.M.G. is prepared to send back to Silesia four British battalions (see No. 11).	103
85 SIR M. CHEETHAM Paris Tel. No. 285	May 18	Refers to No. 70: reports conversation with M. Berthelot who stated that, although France was no longer bound by San Remo understanding, necessity for unilateral coercion of Germany was unlikely to arise: adds that in view of this statement he conveyed H.M.G.'s warning in telegram under reference.	103
86 COL. PERCIVAL Oppeln Tel. No. 114	May 18	Refers to No. 77: reports instances of failure of French forces to take, and of obstruction towards, action against insurgents: states that well-organized French secret service gave no intimation of rising to the Commission.	104
87 SIR A. GEDDES Washington Tel. No. 329	May 18	Reports that U.S. Secretary of State intimated that it was likely that U.S. Ambassador in London would attend Supreme Council merely as an observer but that whole question would be discussed with the President. <i>Note 3. U.S. Govt.'s reply to Polish note.</i>	106
88 To SIR M. CHEETHAM Paris No. 1388	May 18	Informs of conversation in which Earl Curzon, after answering French Ambassador's explanations of tone of French press, stated (1) H.M.G. was prepared to return four British battalions to Silesia, (2) H.M.G. had incontrovertible evidence of lack of exertion of French troops in Silesia, (3) French occupation of the Ruhr, apparently threatened by Marshal Foch's orders, must seriously endanger the alliance, (4) H.M.G. was urgently awaiting reply to offer in No. 79.	107
89 COL. PERCIVAL Oppeln Tel. No. 119	May 19	Reports that Gen. Le Rond and Gen. de Marinis state that their troops must be neutral in event of conflicts between German and Polish bands.	110
90 SIR M. CHEETHAM Paris Tel. No. 289	May 19	Reports that Marshal Foch has stated that situation does not require return of British battalions to Silesia.	111
91 SIR M. CHEETHAM Paris Tel. No. 293	May 19	Calls attention to article in the <i>Temps</i> which embodies conversation reported in No. 85.	111

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92 SIR M. CHEETHAM Paris Tel. No. 295 .	May 20	Reports resentment in French press to P.M.'s statement of May 18 that Upper Silesian question should be decided by majority vote in Supreme Council.	113
93 To FRENCH AMBASSADOR London	May 20	Replies to No. 66: reiterates criticism of French conduct in Upper Silesia and states that H.M.G.'s proposals (No. 36) were rejected on inadequate grounds.	113
94 To SIR G. BUCHANAN Rome Tel. No. 214	May 21	Refers to No. 57: instructions to ascertain what Count Sforza means by fixing new frontier on principle of nationality.	119
95 SIR M. CHEETHAM Paris Tel. No. 305	May 21	Reports that even in friendly circles in France it is said that there is a limit to French sacrifices for preservation of the Entente.	119
96 FRENCH AMBASSADOR London	May 21	Request of French Govt. that H.M.G. should support French representations at Berlin and Oppeln for dissolution of German bands and dispersal of Polish insurgents.	120
97 COL. PERCIVAL Oppeln Tel. No. 130	May 22	Reports (1) that communications with industrial area are cut, (2) that he has requested Gen. Le Rond to secure water supplies of towns, (3) that British officers have been detained by insurgents. <i>Note 1.</i> Reported attack by German bands on Polish insurgents.	121
98 To LORD D'ABERNON Berlin Tel. No. 122 SIR G. BUCHANAN Rome Tel. No. 216 COL. PERCIVAL Oppeln Tel. No. 54	May 22	Informs that four British battalions will be transferred with least possible delay from the Rhine to Upper Silesia.	121
99 Mr. MAX MULLER Warsaw Tel. No. 267	May 22	Reports conversation with M.F.A. who said that, having some influence with Korfanty, he would do his utmost to restore authority of Commission.	122
100 LORD D'ABERNON Berlin Tel. No. 242	May 22	Transmits reply of German Govt. to Inter-Allied Commission of Control in Germany to effect that they will prevent formation of free corps for service in Silesia.	122
101 LORD D'ABERNON Berlin Tel. No. 239	May 22	Reports that he has urged German Govt. to exercise restraint, it being understood that Gen. Le Rond is prepared to provide effective protection of German elements.	123
102 LORD D'ABERNON Berlin Tel. No. 241	May 22	Refers to No. 84: reports feeling in Germany that no improvements in Upper Silesia will occur until British troops are sent.	124
103 SIR G. BUCHANAN Rome Tel. No. 179	May 23	Refers to No. 94: reports M.F.A. as saying that, since Gen. de Marinis had not taken sufficiently into account principle of nationality, Italian Govt. would submit revised proposals.	124

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104	To LORD HARDINGE Paris Tel. No. 272	May 23	Refers to No. 95: instructions to give widest publicity to Lord D'Abernon's representations to German Govt. denying unfounded press statements and insinuations.	125
105	To LORD D'ABERNON Berlin No. 530	May 23	Informs of conversation of May 23 with German Ambassador who stated that, whereas Polish Govt. had spread false information (see No. 72), the German Govt. were acting with <i>bona fides</i> in Upper Silesia: Lord Curzon, having mentioned that four British battalions were returning that day, expressed hope that Germans would do their utmost to supply food, transport, and wages to Silesian population.	125
106	FRENCH MINISTRY OF FOREIGN AFFAIRS Paris	May 23	Replies to No. 93: answers H.M.G.'s criticisms and asserts that British policy has encouraged the Germans: adds that decision at Lympe (No. 23, n. 2) to expedite Commissioners' report was ill-advised.	127
107	FRENCH AMBASSADOR London	May 23	Requests that H.M. Ambassador at Berlin should be instructed to support his French colleague's protest to German Govt. against concentrations on frontier and incursion of German bands.	133
108	SIR G. BUCHANAN Rome Tel. No. 183	May 24	Refers to No. 104 and reports that M.F.A. in handing him Italian memo. (see No. 109) explained that he personally favoured the second formula.	134
109	SIR G. BUCHANAN Rome Tel. No. 184	May 24	Transmits translation of Italian memo. which (1) advocates division proportionate to total votes polled, (2) offers two formulas for discussion, (3) proposes that France in return for undertaking not to assist Polish troops be authorized, in event of German troops crossing agreed line, to extend provisionally areas occupied on the Rhine. <i>Note 6.</i> Memo. of May 25 by Major Ottley discussing Count Sforza's proposals.	135
110	COL. PERCIVAL Oppeln Tel. No. 136	May 24	Reports statement of Gen. Hoefer that German organizations will re-establish authority of Commission, guarantee safety of Allied troops, and re-establish police.	137
111	LORD HARDINGE Paris Tel. No. 313	May 24	Reports that in a conversation of May 24 M. Briand suggested that Allied experts should discuss Silesian problem and intimated that his speech to Chamber would be conciliatory.	138
112	To COL. PERCIVAL Oppeln Tel. No. 57	May 24	Calls attention to German press accounts that British officers are assisting German self-protection bands and asks for a report.	139
113	To LORD HARDINGE Paris Tel. No. 274	May 24	Instructions to bring to immediate attention of M. Briand and to give wide publicity to facts that H.M.G.'s rep-	140

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		representatives at Berlin and Oppeln have adequately supported their French colleagues in representations to the German Govt.	
114 To LORD D'ABERNON Oppeln Tel. No. 126	May 24	Instructions to detach an officer to inquire whether German bands are being formed outside plebiscite area. <i>Note 1.</i> Major Breen's report that main German forces are local. <i>Note 2.</i> Instructions to Col. Percival to ascertain whether Reichswehr formations are assisting bands.	141
115 LORD HARDINGE Paris Tel. No. 314	May 24	Reports that M. Briand, in conciliatory speech in Chamber on May 24, pronounced for Anglo-French co-operation and admitted German Govt. was carrying out its undertakings.	142
116 To FRENCH AMBASSADOR London	May 24	Replies to a French memo. of May 21 and reiterates certain statements in No. 93.	142
117 COL. PERCIVAL Oppeln Tel. No. 142	May 25	Refers to No. 112 and reports that while British officers have been in touch with German self-protection forces they have never been in command: to recall officers permanently would render British mission dependent on French intelligence service.	144
118 COL. PERCIVAL Oppeln Tel. No. 143	May 25	Reports that he and Gen. de Marinis have proposed to Conference of Ambassadors that German and Polish troops be allowed to occupy specified portions of Upper Silesia. <i>Note 1.</i> Instructions to H.M.G.'s representative in Paris to urge French Govt. to approve above-mentioned proposal.	144
119 LORD D'ABERNON Berlin Tel. No. 253	May 25	Reports further representations to German Govt. and M.F.A.'s reply that his Govt. was doing its utmost to prevent free corps from crossing frontier.	145
120 LORD HARDINGE Paris Tel. No. 317	May 25	Reports that (1) in a conversation M. Briand regretted that Lord D'Abernon's representations had not been made jointly with French Ambassador's, (2) French note of May 25 repudiates accusations against French troops and makes accusations against German Govt.	146
121 LORD HARDINGE Paris Tel. No. 316	May 25	Refers to No. 113 and reports that widest publicity has been given to Lord D'Abernon's representations to German Govt.: press comments on lack of evidence of concerted action.	147
122 LORD HARDINGE Paris Tel. No. 323	May 26	Reports decision on May 26 of Conference of Ambassadors to call on Polish Govt. to close frontier and to forgo their right to transport war material across Germany. <i>Note 3.</i> Tel. asking Col. Percival whether Plebiscite Commission could effectively prohibit transport of arms across Upper Silesia.	147

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		<i>Note.</i> 4 Oppeln telegram reporting that immediate steps will be taken to prohibit such transport.	
123 To LORD HARDINGE Paris Tel. No. 279	May 26	Instructions to make clear, if necessary, that there is no case for Belgian participation in Supreme Council's discussions in Silesia. <i>Note</i> 1. Brussels tel. reporting that Belgian M.F.A. was anxious to enter discussion on Upper Silesia.	148
124 To COL. PERCIVAL Oppeln Tel. No. 63	May 26	Refers to No. 117: gives authority to retain British officers at their posts.	149
125 To LORD HARDINGE Paris No. 1488	May 26	States that in conversation of May 25 French Ambassador was informed: (1) occupation of Ruhr by French alone would shake the Entente to its foundations, (2) Allied Conference should be summoned without further delay, (3) H.M.G. has decided to send two further battalions to Upper Silesia.	149
126 To LORD HARDINGE Paris Tel. No. 282	May 27	Instructions to congratulate M. Briand on his parliamentary majority and remind him of promise to summon meeting of Allied Conference without delay.	150
127 To COL. PERCIVAL Oppeln Tel. No. 64	May 27	Expresses appreciation of Col. Percival's devotion to duty and wish for his early recovery, and states that a successor will be appointed immediately. <i>Note</i> 1. Oppeln tel. reporting Col. Percival's breakdown in health.	150
128 To LORD HARDINGE Paris Tel. No. 284	May 27	Refers to No. 121 and states (1) resolution of Conference of Ambassadors of May 9 (see No. 45) as communicated did not specify joint representations at Berlin, (2) French Ambassador at Berlin neither invited nor was refused Lord D'Abernon's co-operation.	151
129 COL. PERCIVAL Oppeln Tel. No. 152	May 27	Transmits text of tel. from Commission to Conference of Ambassadors reporting request of Korfanty that Commission should supervise restoration of administration of occupied territory and proposal of Commission for a neutral zone to be occupied by British troops.	152
130 To MR. BOURDILLON Oppeln Tel. No. 65	May 27	Asks for comments on French statement (see No. 106, para. 8) that British Commissioner had failed to co-operate on all occasions with demand for measures to enable Commission to resume freely administration of Upper Silesia.	153
131 LORD HARDINGE Paris Tel. No. 329	May 27	Gives text of tel. summarized in No. 118. <i>Note</i> 3. Paris tel. No. 330 of May 27 asking how functions of German and Polish military commanders and local representatives of the Commission would be defined.	153

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132 COL. PERCIVAL Oppeln Tel. No. 155	May 27	States (1) that Gen. Le Rond agrees that British officers should remain in touch with self-protection forces, (2) that self-protection forces are not German insurgents.	154
133 LORD HARDINGE Paris Tel. No. 332	May 27	Reports (1) discussion of the Anglo-Italian proposal of May 25 (see Nos. 118 and 131) with M. Berthelot who said that Korfanty's request (see No. 129) had changed the situation, (2) conversation with M. Briand who reiterated proposal (see No. 111) for early meeting of experts, (3) decision taken with Italian Ambassador to suspend discussion of Anglo-Italian proposal.	155
134 COL. PERCIVAL Oppeln Tel. No. 157	May 28	Reports (1) no improvement despite Korfanty's offer (No. 129), (2) German self-protection force remains passive, (3) his intention to oppose Gen. Le Rond's proposal to move Commission to Gleiwitz.	157
135 COL. PERCIVAL Oppeln Tel. No. 156	May 28	Reports (1) that Gen. Hoefer, having halted his advance, requests to be allowed to support British troops, (2) that Gen. Le Rond wishes to form a screen of Allied troops between Germans and retiring Polish insurgents, (3) that he himself is insisting on concentration of British troops at Oppeln.	158
136 To LORD HARDINGE Paris Tel. No. 294	May 28	Asks, with regard to M. Briand's proposal (see Nos. 111 and 133), for information of number and place of meeting of technical delegates; and states H.M.G.'s view that these experts should be appointed by Supreme Council and should work in Silesia.	158
137 LORD HARDINGE Paris Tel. No. 335	May 28	Reports that at Conference of Ambassadors M. Cambon opposed Anglo-Italian proposals (see No. 118) on grounds they were obsolete in view of Korfanty's offer (see No. 129) and that it was decided to ask Commission whether (1) Korfanty could carry out his proposed undertaking, (2) neutral zone could be established before arrival of six British battalions.	159
138 LORD HARDINGE Paris Tel. No. 336	May 28	Reports that he and Italian Ambassador protested at Conference of Ambassadors against inaccurate version in French press of Count Sforza's partition proposals (see No. 109).	161
139 LORD HARDINGE Paris Tel. No. 337	May 28	Refers to No. 133 and reports that in a Note of May 28 M. Briand agrees to early meeting of Supreme Council at Boulogne provided (1) Polish and German insurgents have surrendered, (2) a report is prepared by experts meeting in Paris.	161

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140 COL. PERCIVAL Oppeln Tel. No. 158	May 29	Refers to No. 130: suggests French Govt. is referring to his refusals to negotiate directly with Korfanty, and gives instances of these.	162
141 COL. HAWKER Oppeln Tel. No. 163	May 31	Reports attacks and demonstrations by Germans against French soldiers and proposal to Gen. Hoefer to retire from designated neutral zone. <i>Note 1.</i> Appointment of Sir H. Stuart as British Commissioner. <i>Note 3.</i> Arrival of six British battalions.	164
142 LORD HARDINGE Paris Tel. No. 349	May 31	Summarizes note of May 30 in which French Govt., in reply to British proposals (see No. 136), (1) agree that Committee of experts should meet in Oppeln, (2) advocate that order should be established in Silesia before Supreme Council meets, (3) propose that Commissioners should make joint representations to Poles and Germans at Oppeln and issue joint proclamation to effect that treaty will be impartially enforced.	165
143 LORD D'ABERNON Berlin Tel. No. 279	May 31	States that M.F.A. read report to effect that Gen. Hoefer could not agree to being treated on same basis as Korfanty and adds that while he advised M.F.A. to restrain German forces his own view is that Gen. Hoefer cannot be expected to abandon Annaberg to the French.	166
144 LORD HARDINGE Paris Tel. No. 252	May 31	Refers to No. 142 and reports that he intends to address strong Note to M. Briand protesting against French press which (1) attributes delay in pacifying Silesia to Col. Percival's refusal to negotiate with both sides, (2) alleges that Col. Percival's illness is pretext for his withdrawal by H.M.G.	167
145 MR. MAX MULLER Warsaw Tel. No. 287	June 1	Refers to No. 143 and expresses view that although Gen. Hoefer should not be treated on same footing as Korfanty he should be warned against falling into similar position.	168
146 LORD HARDINGE Paris Tel. No. 357	June 1	Refers to No. 141 and states that proposal for neutral zone (see No. 131) envisaged evacuation by insurgents and was never intended as permanent demarcation.	169
147 SIR E. CROWE Foreign Office	June 1	Records (1) receipt of German memo. protesting against proposals to invite Polish and German troops to occupy certain areas, (2) that he deprecated German Ambassador's contention that whole of Upper Silesia should go to Germany.	169
148 SIR E. CROWE Foreign Office	June 1	Records conversation with the French Ambassador who raised question of (1) the technical commission to Silesia, (2) the situation in Constantinople, (3) the	170

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		need to put the Entente on proper business footing, Gt. Britain supporting France on the Rhine and France assisting Gt. Britain in the East.	
149 M. BRIAND Paris	June 2	States that he has never held Col. Percival responsible for delay in pacification of Upper Silesia: he merely regretted that Col. Percival refused to enter into certain conversations: adds that the Commission should now, with the arrival of British troops, endeavour to establish a neutral zone.	171
150 To LORD HARDINGE Paris Tel. No. 302	June 3	Refers to No. 142: instructions to inform French Govt. that (1) H.M.G. is not prepared to consider formation of technical commission until Col. Percival's successor has had time to report, (2) meeting of Supreme Council should precede appointment of technical commission: instructions to reiterate protest against criticisms of Col. Percival.	172
151 LORD HARDINGE Paris Tel. No. 362	June 3	Reports that at meeting on June 3 of Conference of Ambassadors he (1) pointed out that Korfanty's offer to surrender had not matured, (2) agreed in principle that German as well as Polish Govt. should be summoned to release hostages, (3) obtained decisions suspending despatch of war materials from Austria and preventing premature publication of discussions of Conference of Ambassadors.	174
152 EARL CURZON Foreign Office	June 3	<p>Informs French Ambassador that H.M.G. agree that it is undesirable for German authorities to boycott disturbed area but doubts whether new instructions to Lord D'Abernon are called for since German Govt. have accepted his advice: any withdrawal of services by Germans not unreasonable in view of lack of protection in insurgent area.</p> <p><i>Note 3.</i> Reports expulsion of Schmidt Corps of 400 by Gen. Hoefer.</p>	175
153 COL. HAWKER Oppeln Tel. No. 172	June 4	Reports that he opposed Gen. Le Rond's proposal that a British battalion should occupy Leschnitz and that it is now proposed that British troops should occupy line between insurgent and self-protection forces S. and E. of Leschnitz.	176
154 SIR H. STUART Oppeln Tel. No. 173	June 4	Reports his arrival at Oppeln: states that Commission decided to call on Gen. Hoefer under threat of withdrawal of French troops from industrial area to retire to his line held on May 21, and to inform him that evacuated territory would be occupied by Allied troops.	177

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155	SIR H. STUART Oppeln Tel. No. 174	June 5	Reports that Commission referred to Allied military commanders an offer from Polish insurgent leaders to withdraw six to ten kilometres provided area vacated were occupied by Allied troops.	178
156	SIR H. STUART Oppeln Tel. No. 175	June 5	Reports that Gen. Hoefer has advanced and that Gen. Le Rond consented to leave French garrisons in industrial towns only when Gen. Heneker promised to despatch three British battalions to line Oppeln-Gross-Strehlitz-Kieferstadt: adds that he is telegraphing Lord D'Abernon to urge German Govt. to persuade Gen. Hoefer to withdraw.	179
157	TO LORD D'ABERNON Berlin Tel. No. 144	June 6	Instructions to impress, either jointly with French and Italian colleagues or if necessary alone, on German Govt. importance of persuading Gen. Hoefer to carry out recommendations of Allied Commissioners.	180
158	TO LORD HARDINGE Paris Tel. No. 304	June 6	Instructions to communicate to French Govt. substance of instructions to Lord D'Abernon (to discourage embarrassing German offers of co-operation with British troops) and to request that General Le Rond be given such instructions as will enable him to co-operate with British military authorities in Silesia. <i>Note 1.</i> Report that Gen. Hoefer stated in a press interview that his bands hoped to co-operate with British troops.	180
159	TO SIR G. BUCHANAN Rome Tel. No. 245	June 6	Refers to No. 158: instructions to ask Italian Govt. to make declaration that their military forces will co-operate closely with British troops.	181
160	LORD HARDINGE Paris Tel. No. 365	June 7	Reports receipt of polemical private letter of June 7 from M. Briand which throws responsibility for disorder on Germans and expresses approval of Sir H. Stuart's agreeing to ultimatum to German general (see No. 154).	181
161	SIR H. STUART Oppeln Tel. No. 178	June 7	Reports (1) Gen. Hoefer's visit to Gen. Heneker and promise not to advance further, (2) Gen. Le Rond's statement that he is unable to attack Polish insurgents without reference to his Govt.	181
162	TO SIR H. STUART Oppeln Tel. No. 77	June 7	Refers to No. 155: approves reference to Allied military commanders of question of neutral zone: questions justification of ultimatum (see No. 154) to Gen. Hoefer against which German Govt. have protested. <i>Note 4.</i> Record of Sir E. Crowe's conversation of June 6 with German Ambassador, who pointed out lack of guarantee that evacuated zone would be effectively occupied by Allied troops.	182

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NO. AND NAME	DATE	MAIN SUBJECT	PAGE
163 SIR H. STUART Oppeln Tel. No. 179	June 7	Suggests that Gen. Le Rond, who gives direct orders to the French General Commanding Allied troops in Silesia, should be replaced by a civilian.	183
164 SIR H. STUART Oppeln Tel. No. 180	June 7	Refers to No. 161 and states he obtained Commission's agreement to instruct Allied commanders to report measures required for re-establishing Commission's authority: adds that Gen. Heneker thinks neutral zone will be slow in operation and that vigorous action by Allied forces is required: hence need to press for authority for Gen. Le Rond to act (see No. 158).	184
165 LORD D'ABERNON Berlin Tel. No. 294	June 8	Reports (1) that French and Italian colleagues are making identic communication to German Govt. in sense of No. 157, (2) that German Govt. has already pointed out to Gen. Hoefer the danger of any advance.	185
166 TO LORD HARDINGE Paris Tel. No. 308	June 8	Refers to No. 161: instructions (1) to inform French Govt. in the sense of No. 164, (2) to request instructions be sent to Gen. Le Rond in the sense of No. 158.	185
167 LORD HARDINGE Paris Tel. No. 368	June 9	Reports conversation with M. Millerand who said demand for active measures against Polish insurgents was inopportune at time when Germans are reported to have attacked French troops: adds that on his own initiative he suggested French Govt. should replace Gen. Le Rond by a civilian (see No. 163) and that M. Millerand replied that such a proposal, if made by H.M.G., would be unacceptable. <i>Note 7.</i> Minutes of Earl Curzon and Sir E. Crowe on this communication.	186
168 LORD HARDINGE Paris Tel. No. 369	June 9	Reports that French Note of June 8 states that Gen. Le Rond has instructions to maintain close co-operation of French, British, and Italian troops in Upper Silesia but that force is unnecessary pending attempts to establish neutral zone.	188
169 SIR G. BUCHANAN Rome Tel. No. 223	June 10	Reports that M.F.A. is instructing Gen. de Marinis to collaborate with British commander and to use force if absolutely necessary.	189
170 LORD HARDINGE Paris	June 11	Note to M. Briand in reply to French Note of June 8 (see No. 168): states (1) neutral zone will take time to establish, (2) pending its establishment military action against Polish insurgents is necessary to restore Commission's authority, (3) failing this German forces are likely again to advance, (4) it is therefore essential that Gen. Le Rond be informed in unequivocal terms that no restriction is placed on Commission's use of French troops.	189

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	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
171	MR. MAX MULLER Warsaw Tel. No. 305	June 11	Reports that invitation from Polish Govt. to Allied Legations to send officers to inspect frontiers is not acceptable as it is proposed they should be accompanied by a high Polish officer.	192
172	LORD HARDINGE Paris Tel. No. 373	June 12	Reports M. Berthelot's reply to No. 170 in which it is reasserted that Gen. Le Rond's use of troops is not limited by instructions and that, as soon as neutral zone is established, the Commission will use effective means to restore Allied authority.	193
173	SIR H. STUART Oppeln No. 43	June 12	Describes the situation in Upper Silesia: reports (1) that military commanders consider establishment of neutral zone unpracticable, (2) that Commission accepted Gen. Le Rond's plan of progressive withdrawals, though Gen. Heneker is preparing alternative plan in case it fails.	194
174	TO SIR G. GRAHAME Brussels Tel. No. 94	June 13	Instructions to avoid discussing Upper Silesia with Belgian Ministers, it being important to maintain the principle that the question concerns only five principal Allied and Associated Powers.	199
175	TO LORD HARDINGE Paris No. 1634	June 13	Records conversation of June 12 with French Ambassador who was informed (1) that insistent complaint and reproach from French Govt. was resented, (2) that French complicity with insurgents, and not British inertia, produced the situation in Silesia, (3) that if Gen. Le Rond were replaced by a civilian better results would be obtained, (4) that it was superfluous to send out a fresh body of experts.	200
176	SIR H. STUART Oppeln Tel. No. 195	June 14	Denies statement of M. Berthelot (see No. 172) that he has recognized that 60,000 troops are necessary to reduce insurrection.	201
177	TO LORD HARDINGE Paris Tel. No. 318	June 14	Refers to No. 172: states that M. Berthelot's reference to complete harmony of the three Commissioners at Oppeln is not in accordance with reports received from Sir H. Stuart and Gen. Heneker: instructions to make renewed representation. <i>Note 2.</i> Report of threat to withdraw British troops from French command if line from Oppeln to Gleiwitz is not cleared of insurgents.	202
178	TO MR. MAX MULLER Warsaw Tel. No. 152	June 14	Instruction to arrange for three Allied officers, or failing them a British officer alone, to inspect Polish frontier. <i>Note 2.</i> Concerns appointment of and instructions to Allied inspecting officers.	203
179	LORD KILMARNOCK Berlin Tel. No. 310	June 15	Reports that German Govt. have informed him officially that it would lose office if final decision on Upper Silesia were not in Germany's favour.	203

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
180 LORD KILMARNOCK Berlin Tel. No. 306	June 15	Reports rumours that communist agents are active among Korfanty's troops and German self-protection corps.	204
181 SIR H. STUART Oppeln No. 53	June 17	Reports (1) withdrawal of British brigade from French command, (2) insistence of Gen. Heneker that substantial part of industrial area should be occupied by British troops, (3) German hostility to plan of progressive withdrawals.	204
182 EARL CURZON Paris Tel. Unnumbered	June 19	Instructions to Sir E. Crowe to inform P.M. of conversations with M. Briand and Italian Ambassador, in which Earl Curzon pressed for reconstitution of Commission on civilian basis instead of despatch of expert committee to Silesia: M. Briand agreed to meeting of Supreme Council at any date after July 10.	208
183 EARL CURZON Paris Tel. No. 390	June 20	<p>Informes that three Allied Govts. have decided to ask Plebiscite Commission (a) whether it could, and within what time, make joint proposal regarding Polish-German frontier in Silesia, (b) whether technical advisers would be a help in producing joint solution.</p> <p><i>Note 1.</i> Tel. of June 20 instructing Sir H. Stuart that Commission should give joint answer.</p>	208
184 EARL CURZON Paris Tel. No. 392	June 20	Asks Sir H. Stuart whether Commission have arrived at unanimous decision in favour of progressive withdrawal and simultaneous disarmament by Poles and Germans and whether representations should be made at Warsaw and Berlin.	209
185 SIR H. STUART Oppeln Tel. No. 212	June 20	Refers to No. 184 and replies that plan does not contain condition about disarmament: but Commission intends to deny amnesty to those keeping their arms: as plan has been accepted by Polish insurgents, representations should be made only to German Govt.	209
186 LORD HARDINGE Paris Tel. No. 398	June 20	Reports on attitude of French press towards Earl Curzon's visit to Paris.	210
187 SIR H. STUART Oppeln Tel. No. 214	June 21	Refers to No. 183 and states that Commission (1) are of opinion that frontier cannot be fixed until authority is restored, (2) are not able to say whether they can reach unanimous conclusion, (3) do not need more expert advisers.	210
188 LORD KILMARNOCK Berlin Tel. No. 322	June 21	Reports that following representations by himself and his French colleague German Govt. decided to send mission to Oppeln to induce Gen. Hoefer to accept Commission's plan.	211
189 SIR H. STUART Oppeln Tel. No. 215	June 22	Refers to No. 187: reports that unanimous report of Commission is unlikely and that Commission agree that nothing should be done until order is restored.	212

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
190 SIR H. STUART Oppeln Tel. No. 219	June 22	Refers to No. 182 and states that (1) recent proclamation of German Committee of 12 was not an assumption of administration, (2) he has no evidence that German self-defence forces are being transformed into organized army; requests that pressure be put on German Govt. to facilitate progressive withdrawal plan.	212
191 SIR H. STUART Oppeln Tel. No. 226	June 24	Reports that programme of withdrawal should be completed by July 2 and that authority of Commission should be established by July 15.	213
192 SIR H. STUART Oppeln Tel. Unnumbered	June 24	Reports that withdrawals will be completed on July 5.	214
193 SIR H. STUART Oppeln No. 54	June 24	Reports that insurgents have not definitely accepted withdrawal plan but are likely to do so: reviews successful work of the Commission in persuading Germans to retire and attributes Korfanty's willingness to withdraw chiefly to French influence: confirms Nos. 187 and 189.	214
194 LORD KILMARNOCK Berlin Tel. No. 332	June 25	Reports conversation with Herr Erzberger who said that decision on industrial area unfavourable to Germany would bring down Dr. Wirth's Govt.: asks for H.M.G.'s views on Herr Erzberger's proposal of autonomy for Upper Silesia. <i>Note 3.</i> Oppeln telegram of June 27 stating that proposal for autonomy would have little support in Silesia.	218
195 MR. MAX MULLER Warsaw Tel. No. 323	June 25	Reports that he congratulated Polish Govt. on its restraining the insurgents and that M.F.A. promised to do utmost to prevent trouble when final decision on Upper Silesia was published.	219
196 To LORD HARDINGE Paris Tel. No. 348	June 25	Instructions to express hope French Govt. will request Gen. Le Rond to show a more conciliatory spirit and will join in representations at Warsaw concerning concentrations of Polish troops near Upper Silesian border. <i>Note 2.</i> Reports of concentrations and movements of Polish regular troops.	220
197 LORD HARDINGE Paris No. 1843	June 25	Transmits correspondence with M. Cambon concerning increased frequency of Belgian Ambassador's attendance at Conference of Ambassadors.	220
198 SIR H. STUART Oppeln Tel. No. 233	June 26	Reports that Poles and Germans have signed agreement for reciprocal withdrawals to be effected by July 5.	221
199 LORD HARDINGE Paris Tel. No. 423	June 27	Refers to No. 196 and points out that instructions regarding Gen. Le Rond are, in view of No. 198, out of date and suggests that representations concerning concentration of Polish troops be postponed until Lieut.-Commander Rawlings has reported.	222

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NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		<i>Note 4.</i> Warsaw tel. of May 28 stating that report of Polish mobilization was founded on misapprehension of an Italian telegram.	
200 LORD HARDINGE Paris	June 27	Note to M. Briand: asks whether he was accurately reported as saying (1) Supreme Council can take decision on Silesia only on receipt of unanimous report of Allied Commissioners, (2) that whole industrial area should be assigned to Poland; points out that neither Treaty nor recent Paris decisions demand unanimous report and reminds M. Briand of his statement of May 13 (see No. 60).	222
		<i>Note 8.</i> M. Briand's reply of June 29 stating that (1) French Govt. is not responsible for statements in press, (2) it is for Supreme Council with aid of common report of Commissioners or with help of experts to examine the question basically and arrive at unanimous decision in accordance with Treaty of Versailles.	
201 FRENCH AMBASSADOR London	[June 28]	Communicates French tel. of June 23 from Oppeln reporting obstinacy of Germans as compared with pliability of Polish insurgents.	224
202 To LORD HARDINGE Paris Tel. No. 354	June 28	Refers to No. 199: agrees that representations concerning Gen. Le Rond would be out of date: representations at Warsaw should not be delayed since presence of Gen. Haller at Korfanty's head-quarters has been officially reported.	226
203 LORD D'ABERNON Berlin Tel. No. 337	June 29	Reports conversation of June 29 with M.F.A. who, pleading for British support, stated that decision on Silesia unfavourable to Germany would bring downfall of Dr. Wirth's Govt.	226
204 LORD HARDINGE Paris Tel. No. 433	June 29	Reports Marshal Foch's instructions to Gen. Nollet to seize all war material of German forces evacuating Upper Silesia and asks (1) whether request for these instructions emanated from Commission as a whole, (2) whether they are in accordance with agreement with Gen. Hoefer, (3) whether Polish insurgents crossing into Polish territory will be disarmed.	227
205 MR. MAX MULLER Warsaw Tel. No. 328	June 29	British officer (see No. 178) reports that Polish Govt. have made determined effort to close frontier.	228
206 SIR H. STUART Oppeln Tel. No. 240	June 30	Refers to No. 204: reports that he requested Gen. Le Rond to communicate to Marshal Foch his explanation that war material in question related only to arms stolen from dumps in Germany.	229
207 LORD HARDINGE Paris Tel. No. 444	July 1	Refers to No. 206: reports that he is addressing protest to French Govt. against Gen. Le Rond's independent action.	229

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NO. AND NAME	DATE	MAIN SUBJECT	PAGE
208 SIR H. STUART Oppeln No. 61	July 1	Reports on arrangements connected with progressive withdrawals and calls attention to increase of Allied friendship and to solidarity of the Entente in Upper Silesia.	230
209 To SIR M. CHEETHAM Paris Tel. No. 364	July 4	Refers to Nos. 204 and 206 and suggests that Allied representatives at Warsaw should press Polish Govt. to disarm insurgents entering Poland. <i>Note 3.</i> Letter of July 7 stating that representations would be superfluous in view of report in No. 213.	234
210 SIR H. STUART Oppeln Tel. No. 245	July 4	Refers to No. 207 and states that contemplated action would serve no useful purpose.	234
211 SIR H. STUART Oppeln Tel. No. 247	July 5	Reports that at meeting of Commission of July 5 he obtained appointment of one Italian and two British controllers in place of French controllers in industrial area.	235
212 To SIR H. STUART Oppeln Tel. No. 101	July 5	Authorizes him to suggest privately to Gen. Le Rond the replacement of Gen. Gratier by an officer of greater seniority but points out that in view of decision of Supreme Council in October 1919 there was no question of demanding substitution of a British for a French Commander-in-Chief.	235
213 MR. MAX MULLER Warsaw Tel. No. 332	July 5	Reports conversation of July 4 with Gen. Szeptycki who stated that energetic measures were being taken to disarm insurgents from Upper Silesia.	236
214 WAR OFFICE London	July 8	Memo. by C.I.G.S. proposing that Gen. Heneker's forces be withdrawn to the Rhine. <i>Note 3.</i> Oppeln tel. reporting that withdrawal of Polish and German forces was completed on July 5.	236

CHAPTER II

The Reference of the Question of Upper Silesia to the Council of the League of Nations July 9, 1921–November 2, 1922

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
215 MR. MAX MULLER Warsaw Tel. No. 336	July 9	Refers to No. 191 and states that Polish Govt. has addressed note to three Allied ministers requesting the three Govts. to instruct their representatives at Oppeln to expedite organization of police force in Upper Silesia.	238
216 SIR H. STUART Oppeln Tel. No. 256	July 10	Reports that at meeting of the Commission on July 10 Gen. Le Rond refused Gen. de Marinis's proposal that Sforza line (see No. 109) should be basis of discussion:	238

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NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		adds that he himself opposed alternative proposal of Gen. de Marinis to fix frontier and then to place industrial area under international control.	
217 SIR H. STUART Oppeln Tel. No. 259 [257]	July 10	Refers to No. 216 and transmits text of communication from Commissioners to their Govts. advising early decision by Supreme Council.	239
218 LORD D'ABERNON Berlin Tel. No. 362	July 11	Reports that he told Dr. Rathenau that it was absurd to suppose that Gen. Le Rond would have, in face of British Commissioner's vigour, undue influence on verdict of a Supreme Council meeting at Boulogne.	240
219 SIR M. CHEETHAM Paris Tel. No. 472	July 11	Reports conversation of July 10 with M. Briand who inferred that, if the Commission could not submit a fresh report, a committee of experts would confer in Paris prior to meeting of Supreme Council.	241
220 To SIR M. CHEETHAM Paris Tel. No. 390	July 12	States that, if M. Briand guarantees expert committee will report by July 24, H.M.G. are prepared to send experts to Paris.	242
221 SIR H. STUART Oppeln Tel. No. 261	July 14	Refers to No. 220: expresses concern at delay of meeting of Supreme Council and at reference of Silesian question to committee of experts; requests despatch of further British brigade.	242
222 SIR H. STUART Oppeln Tel. No. 264	July 14	Reports that he communicated No. 221 to his colleagues who are requesting reinforcements.	243
223 To SIR G. BUCHANAN Rome No. 597	July 14	Records conversation with Italian Ambassador to whom regret was expressed that Italian Govt. had become less co-operative than formerly on the Upper Silesian question.	243
224 SIR H. STUART Oppeln No. 67	July 16	States objections to Gen. de Marinis's proposal for division and international control of industrial area (see No. 216) and transmits memo. containing alternative suggestions for frontier.	244
225 FRENCH AMBASSADOR London	July 16	Alleges that German bands have neither been dispersed nor disarmed and requests H.M.G. to instruct H.M. Ambassador at Berlin to join his French colleague in making representations to German Govt.	246
226 FRENCH AMBASSADOR London	July 16	Replies to H.M.G.'s proposals (see No. 220) and states that although M. Briand is prepared to summon immediately a meeting of experts in Paris, adequate time should be allowed and order should be fully restored in Upper Silesia before Supreme Council makes a decision.	248
227 LORD D'ABERNON Berlin Tel. No. 373	July 17	Reports that on July 16 the French Ambassador made sharp representations to the German Govt. demanding dissolution and disarming of self-defence forces in Silesia and cessation of resistance to the measures and decisions of the Allies.	249

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
228 SIR M. CHEETHAM Paris Tel. No. 494	July 17	Attributes move in French policy to postpone settlement of Silesian question to intention to use proposed Washington Conference to isolate Great Britain, who would then be compelled to support French policy in Germany and Upper Silesia.	249
229 SIR M. CHEETHAM Paris Tel. No. 495	July 17	Reports information that a French division is ready for despatch to Upper Silesia.	250
230 SIR H. STUART Oppeln Tel. No. 267	July 19	Transmits draft rejected by Gen. Le Rond of identic telegrams pressing for immediate decision by Supreme Council.	251
231 SIR H. STUART Oppeln Tel. No. 268	July 19	Refers to No. 230 and transmits translation of telegram drafted by Gen. Le Rond from Commission to Conference of Ambassadors stating that, if decision is delayed, reinforcements should be considered more urgent.	252
232 To SIR M. CHEETHAM Paris Tel. No. 409	July 19	Records that in conversation of July 19 with the French Ambassador objections were raised to M. Briand's proposals (see No. 226) and proposal was made for meeting of Supreme Council at Boulogne beginning July 28, it being understood that (1) committee of experts should not be convened, (2) no reinforcements of troops should take place in the interim.	254
233 LORD D'ABERNON Berlin Tel. No. 379	July 19	Reports conversation with Gen. de Marinis who insisted that the right solution was the Percival-Marinis line (see No. 26).	255
234 SIR H. STUART Oppeln Tel. No. 271	July 19	Requests urgent despatch of British reinforcements for employment in industrial zone since, if further French division alone arrives, French will claim to control a larger area.	256
235 SIR M. CHEETHAM Paris Tel. No. 505	July 20	Reports conversation of July 20 with M. Briand who insisted that no meeting of Supreme Council should be held until experts had met and order restored in Upper Silesia.	257
236 MAJOR OTTLEY Foreign Office	July 20	Memo. on the Silesian situation stressing urgency of early meeting of Supreme Council in view of French attitude towards Germany.	258
237 SIR M. CHEETHAM Paris Tel. No. 507	July 21	Reports that French press publishes full accounts of Marquess Curzon's last communication to French Ambassador and M. Briand's reply (see Nos. 232 and 235) and accuses H.M.G. of encouraging provocative acts of Germans.	259
238 To SIR M. CHEETHAM Paris Tel. No. 413	July 22	Records conversation of July 21 with French Ambassador to whom were read Oppeln telegrams showing that situation might be aggravated by arrival of French division and that preliminary enquiry by	259

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		experts would not advance matters: instructions to press for meeting of Supreme Council in first week of August.	
239 To SIR M. CHEETHAM Paris Tel. No. 414	July 22	Refers to No. 238: states that despatch of British reinforcements must depend on decision of Supreme Council.	261
240 GEN. SIR W. HENEKER Oppeln Tel. No. 282	July 22	Reports that though Germans would resent strong action by French troops they are not likely to resist decision of Supreme Council and that, if the Poles resist, the Allied forces are strong enough to deal with them.	261
241 To MR. KENNARD Rome Tel. No. 321	July 22	Instructs him to inform M.F.A. that H.M.G. rely on Italian co-operation and to say that earliest possible meeting of Supreme Council should be arranged, that in interim reinforcements should not be sent to Silesia, and that decision flagrantly unjust to Germans will cause fall of Wirth Govt. and jeopardize question of reparations.	262
242 SIR H. CHEETHAM Paris Tel. No. 516	July 23	Reports that instructions have been sent to French Ambassador in London to say that French Govt. attaches greatest importance to meeting of experts and to immediate despatch of troops and to propose meeting of the Supreme Council for third week in August.	263
243 GEN. SIR W. HENEKER Oppeln Tel. No. 284	July 23	Transmits Commission's telegram to Conference of Ambassadors containing proposals of British and Italian Commissioners that undisputed areas be transferred immediately to Polish and German Govts. and that despatch of additional French division be countermanded.	264
244 SIR M. CHEETHAM Paris Tel. No. 517	July 23	Reports that in reply to communication of No. 239, M. Briand stated that French Govt., having notified decision to send French troops, the security need for which it was for France to decide, could not change that decision.	265
245 SIR M. CHEETHAM Paris Tel. No. 518	July 23	Suggests that since M. Briand has staked his political existence on maintaining Allied unity, it might be advisable to accept expert enquiry which may become necessary in any event.	266
246 MR. MAX MULLER Warsaw Tel. No. 345	July 23	Reports that M.F.A. stated that, while Polish Govt. would continue to exercise restraining influence, danger of disturbance became greater the longer decision was delayed.	267
247 To SIR M. CHEETHAM Paris Tel. No. 418	July 23	Records conversation of July 23 with French Ambassador to whom it was stated that if reinforcements were sent to Silesia without the concurrence of the Allies a grave situation would be provoked:	268

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NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		instructions to inform M. Briand that H.M.G. would send experts to Paris on July 25 provided Supreme Council met not later than August 4.	
248 LORD D'ABERNON Berlin Tel. No. 388	July 24	Transmits summary of reply of German Govt. to French Ambassador to effect that, while Germany will comply with Treaty of Versailles, request for facilitating transport of French troops to Silesia should be made in name of Allied powers.	270
249 LORD D'ABERNON Berlin Tel. No. 389	July 24	Reports opinion of legal adviser of German Foreign Office that any claim for carrying out troop movements through Germany cannot be asserted by any one power in its own name.	270
250 LORD D'ABERNON Berlin Tel. No. 390	July 24	Reports that French Ambassador agreed to wait until July 26 for definite answer to request for transit facilities: requests specific instructions concerning communication of H.M.G.'s views to German Govt.	271
251 LORD D'ABERNON Berlin Tel. No. 391	July 24	Reports German Govt.'s reply to French representations of July 16 (see No. 227): German Govt. regrets attacks on French officers, repudiates accusations against Gen. Hoefler and self-defence organizations and points out contrast of German and Polish conduct.	271
252 SIR M. CHEETHAM Paris Tel. No. 521	July 24	Refers to No. 247: reports that French Govt. agree to meeting of Supreme Council on August 4 providing H.M.G. accepts despatch of additional French troops.	273
253 MR. KENNARD Rome Tel. No. 314	July 25	Refers to No. 241: reports M.F.A. as saying that (1) Italian Govt. has refused to subscribe to French Govt.'s programme, (2) he favours the Percival-Marinis line or a compromise based on it, (3) he hopes to attend Supreme Council within ten days.	274
254 GEN. SIR W. HENEKER Oppeln Tel. No. 291	July 25	Suggests that Sir H. Stuart should advise Sir H. Wilson that British troops should be withdrawn from Upper Silesia as soon as possible after Supreme Council's decision.	274
255 MR. KENNARD Rome Tel. No. 315	July 25	Reports M.F.A.'s fears of repercussions on Italy of French policy and expresses opinion that Italian Govt. is trying to obtain British support on other questions.	275
256 TO LORD D'ABERNON Berlin Tel. No. 188	July 25	Refers to No. 250 and states H.M.G.'s view that question is a political one. <i>Note 2.</i> Private tel. of July 25 to Lord D'Abernon informing him that German Ambassador was advised not to base refusal on interpretation of Treaty and that French Ambassador expects French Govt. to agree not to send reinforcements to Silesia pending decision of Supreme Council.	276

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
257 To SIR M. CHEETHAM Paris Tel. No. 421	July 25	Refers to No. 252 and conversation of July 25 with French Ambassador who was informed that (1) H.M.G. accepted Paris as place of meeting of Supreme Council, (2) H.M.G. could accept neither reasons nor legality for despatch of French troops, (3) German Govt. was likely to withdraw legal opposition to French demand to send troops.	276
258 To MR. KENNARD Rome Tel. No. 327	July 25	Instructions to express to M.F.A. hope of co-operation of Italian ministers at meeting of Supreme Council.	278
259 SIR M. CHEETHAM Paris Tel. No. 526	July 25	Reports that No. 243 is now before Conference of Ambassadors and requests instructions.	278
260 MR. PHIPPS Brussels Tel. No. 141	July 26	Reports that M.F.A. had stated any invitation from French Govt. to attend Supreme Council would not be accepted unless approved by H.M.G.	279
261 To SIR M. CHEETHAM Paris Tel. No. 425	July 26	Refers to No. 259 and authorizes him to support in Ambassadors' Conference the Anglo-Italian proposal using arguments in No. 36 but not as an alternative to meeting of Supreme Council on August 4.	280
262 SIR M. CHEETHAM Paris Tel. No. 533	July 26	Refers to No. 257: reports that M. Berthelot (1) now bases case for sending reinforcements on right of French Govt. to take measures for defence of its forces, (2) stated that French Govt. did not intend to make further communication at Berlin until clarification with H.M.G. had been reached.	280
263 LORD D'ABERNON Berlin Tel. No. 396	July 27	Transmits note of July 27 from M.F.A. to French Ambassador stating that German Govt. in regard to question of transit of French troops will acknowledge decision of Supreme Council and not deal with matter from exclusively legal point of view.	282
264 LORD D'ABERNON Berlin Tel. No. 397	July 27	Refers to No. 263 and reports that (1) French Ambassador called, before receiving No. 263, on German Chancellor and stated that if categorical reply concerning transit of French troops were not received by noon, July 28, steps of serious nature would be taken, (2) M.F.A. requested extension of ultimatum to follow communication of No. 263 to Paris.	282
265 SIR M. CHEETHAM Paris Tel. No. 538	July 27	Reports that (1) as Conference of Ambassadors at meeting of July 27 decided to refer Anglo-Italian proposals (see No. 243) to Govts., he explained H.M.G.'s views (see No. 261) to M. Briand, who replied that these proposals and question of effectives in Upper Silesia should be discussed by Supreme Council, (2) French Govt. have summoned meeting of experts at 4 p.m., July 28.	283

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
266	To SIR M. CHEETHAM Paris No. 2075	July 27	Records conversation with French Ambassador on July 27 when he presented reply (No. 267) to No. 257 and said that (1) French opinion considered German reply [? of July 24] (see No. 248) would not have been made without British support, (2) French Note represented considered judgment of French Govt. Gives own views, as expressed to Ambassador, on possible grave consequences to Anglo-French alliance of threatened action: Ambassador's reply and personal appeal for withdrawal of H.M.G.'s objection to French reinforcements in order to placate French opinion.	284
267	FRENCH AMBASSADOR London	July 27	Note calling attention to Commissioners' demand for reinforcements (see No. 231), to insolence of German Note [? of July 24] (see No. 248), and to the dangers to which French troops in Silesia are exposed, and stating that French Govt. cannot accept meeting of Supreme Council for August 4 unless H.M.G. withdraw opposition to despatch of French reinforcements and that H.M.G.'s attitude of supporting Germany will lead to Anglo-French conflict.	287
268	GEN. SIR W. HENEKER Oppeln Tel. No. 296	July 28	Reports that, in view of intelligence from French zone of impending Polish <i>putsch</i> supported by French troops, he has arranged for discussion of military plans in Commission.	289
269	To SIR A. GEDDES Washington Tel. No. 461	July 28	Instructions to ask Secretary of State whether American Govt. wish to be informed of Anglo-French dispute over Silesian question. <i>Note 1.</i> Tel. of July 29 reporting that Secretary of State desired fullest information, and tel. of August 2 giving substance of memo. sent to U.S. Ambassador.	290
270	To LORD D'ABERNON Berlin Tel. No. 191	July 28	Instructions to impress on German Govt. desirability of avoiding incidents of which French might take advantage. <i>Note 2.</i> Berlin tel. of July 27 reporting that Dr. Rosen had said German Govt. could not continue giving way to menaces.	291
271	GEN. SIR W. HENEKER Oppeln Tel. No. 299	July 29	Reports that at Commission's discussion of military plans (see No. 268) he stated, in reply to Gen. Le Rond's contention that Allied troops were too few to deal with a rising, that British troops would shoot down all who opposed them.	291
272	LORD HARDINGE Paris	July 29	Memo. communicated to M. Briand in reply to No. 267, protesting against language employed, pointing out errors of fact, calling attention to the collective responsibility of the Allied powers and	292

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		stating that H.M.G. cannot allow discussions at Supreme Council to be anticipated by isolated action of individual power.	
273 LORD HARDINGE Paris Tel. No. 546	July 29	Reports conversation concerning Nos. 267 and 272 with M. Briand to whom he made personal suggestion that Allied Ambassadors at Berlin should inform German Govt. that they must facilitate transport of troops at any moment and that French Govt. should give privately to H.M.G. assurance that troops will not be moved before meeting of Supreme Council. <i>Note 7.</i> Tel. of July 29 reporting that suggestion in No. 273 has been adopted by French Council of Ministers.	297
274 To LORD HARDINGE Paris Tel. No. 434	July 29	Refers to No. 268: instructions to suggest to M. Briand issue of clear directions to French authorities in Silesia. <i>Note 2.</i> Tel. of July 30 reporting that M. Briand promised immediate instructions for co-operation of French troops in Silesia with the British and Italians.	299
275 To LORD HARDINGE Paris Tel. No. 435	July 29	Records conversation concerning Nos. 267 and 272 with French Ambassador to whom it was stated that best thing was to cease verbal polemic and adopt Anglo-Italian proposal (No. 243) at Supreme Council.	299
276 To LORD HARDINGE Paris Tel. No. 438	July 30	Refers to No. 273: states (1) H.M.G. approves suggestion, (2) P.M. will attend Supreme Council for which, to suit Italian Premier, August 8 is proposed as date of meeting.	300
277 LORD HARDINGE Paris Tel. No. 551	July 30	Reports receipt of conciliatory Note (No. 282) from M. Briand, who in conversation mentioned possible topics other than Silesia for discussion at Supreme Council. <i>Note 6.</i> H.M.G. prepared to discuss war criminals, famine in Russia, and Graeco-Turkish situation.	300
278 LORD D'ABERNON Berlin Tel. No. 405	July 30	Reports that Gen. Le Rond on way to Paris had declared he was at a loss to account for French memo. of July 16 (see No. 226). <i>Note 1.</i> Oppeln tel. of July 30 reporting that Gen. Le Rond had assured Gen. Heneker that he had advised the Poles to be quiet.	301
279 To MR. PHIPPS Brussels Tel. No. 109	July 30	States that H.M.G. resent French Govt.'s manoeuvre (see No. 260) to obtain Belgian support for their Upper Silesia policy but recognize right of Belgium to attend Supreme Council when withdrawal of Rhineland sanctions is discussed.	302
280 To MR. PHIPPS Brussels Tel. Unnumbered	July 30	Transmits message to M. Jaspar referring to No. 279 and asking him not to allow French Govt. to create friction between Belgian Govt. and H.M.G.	303

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
281	To MR. KENNARD Rome Tel. No. 337	July 30	Transmits summary of negotiations with French Govt. (Nos. 267, 272, 273). <i>Note 1.</i> Rome tel. of July 29 stating lack of recent information concerning Silesian situation.	303
282	M. BRIAND Paris	July 30	Translation of Note of French Govt. answering No. 272 and claiming (1) Allies were consulted about French <i>démarche</i> of July 16 (see No. 227), (2) French Govt. was not confronted with definite opposition of H.M.G. to despatch of reinforcements which Commissioners demanded, (3) H.M.G.'s Note of July 23 (see Nos. 239 and 244) was cause of misunderstanding which can be removed by common effort of goodwill, (4) evidence still points to need of reinforcements.	304
283	MR. PHIPPS Brussels Tel. No. 146	July 31	Refers to No. 279: reports that M. Jaspard stated that French Govt. would make public H.M.G.'s opposition to Belgian participation in Silesian question and that effect on Belgian opinion would be disastrous.	309
284	GEN. SIR W. HENEKER Oppeln Tel. No. 305	Aug. 1	Reports that, despite French opposition, Commission passed scheme for police organization.	310
285	MR. MAX MULLER Warsaw Tel. No. 354	Aug. 1	Reports his representations to Polish Govt. on need for utmost vigilance on Polish-Silesian frontier.	311
286	LORD D'ABERNON Berlin Tel. No. 409	Aug. 1	Reports on discrepancy between provisionally agreed draft of Allied communication to German Govt. (see No. 273) and text as published in Paris: asks for instructions. <i>Note 1.</i> Tel. of Aug. 1 giving provisionally agreed draft.	312
287	SIR M. CHEETHAM Paris Tel. No. 561	Aug. 2	Transmits French Govt.'s reply of Aug. 2 to No. 276 which accepts Aug. 8 for meeting of Supreme Council and discusses agenda.	312
288	To LORD D'ABERNON Berlin Tel. No. 195	Aug. 2	Refers to No. 286: authorizes him in last resort to accept the French text.	313
289	To SIR M. CHEETHAM Paris Tel. No. 446	Aug. 2	Refers to No. 265: instructions to make, if Italian colleague agrees, friendly representations to M. Briand in favour of immediate adoption of Anglo-Italian proposals (No. 243).	314
290	To GEN. SIR W. HENEKER Oppeln Tel. No. 123	Aug. 3	Requests views on strength and composition of reinforcements required in Silesia in event (a) no immediate steps are taken, (b) steps are taken to hand over to Poland and Germany undisputed areas.	314
291	SIR M. CHEETHAM Paris Tel. No. 568	Aug. 3	Refers to No. 289: reports that Italian Ambassador states that without instructions he is unable to join in approach to	315

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		M. Briand concerning adoption of Anglo-Italian proposal (No. 243).	
292 LORD HARDINGE Paris Tel. No. 580	Aug. 5	Refers to No. 290: expresses view that French Govt. is unlikely to accept Visconti-Stuart proposal (No. 243) or to agree to announcement of decision on Silesia before reinforcements have arrived.	316
293 GEN. SIR W. HENEKER Oppeln Tel. No. 308	Aug. 6	Replies to No. 290 and states (1) reinforcements would not be justified in event of early promulgation of decision, (2) no reinforcements would be required if area under Commission is reduced, (3) in event of delay in decision 60,000 to 70,000 troops might be necessary unless Commission called on support from either Poles or Germans.	317
294 GEN. SIR W. HENEKER Oppeln Tel. No. 314	Aug. 8	Reports that recent incident at Botzanowitz shows need either for early decision or for 60,000 to 70,000 troops or for withdrawal from Silesia. <i>Note 1.</i> Tel. of Aug. 8 reporting incident at Botzanowitz.	319
295 MR. MAX MULLER Warsaw Tel. No. 360	Aug. 11	Reports that his French colleague informs him that there is an agreement, which is independent of Franco-Polish commercial treaty, for the advance of French capital for State mines which Poland may obtain in Silesia. <i>Note 3.</i> Proposed Franco-Polish agreements.	319
296 LORD HARDINGE Paris Tel. No. 595	Aug. 12	Transmits to Sir E. Crowe text of tel. from Marquess Curzon (Paris) to Gen. Sir W. Heneker instructing him, in view of Supreme Council's decision on Aug. 12, to refer Silesian question to League of Nations, to make with his colleagues identic recommendation concerning reinforcements for period preceding League of Nations recommendation.	320
297 LORD HARDINGE Paris Tel. No. 596	Aug. 12	Refers to No. 296: states that it may be three or four months before decision is reached and that H.M.G. cannot agree to provide more than two battalions.	321
298 GEN. SIR. W. HENEKER Oppeln Tel. No. 327	Aug. 13	Reports action by Commissioners on Aug. 12 on receipt of reports that disturbances were likely during the night.	321
299 GEN. SIR W. HENEKER Oppeln Tel. No. 328 (Part 1)	Aug. 14	Refers to Nos. 296 and 297: reports on conditions and possible developments in Silesia.	322
300 GEN. SIR W. HENEKER Oppeln Tel. No. 328 (Part 2)	Aug.[?14]	Reports that Acting Commissioners favoured but would not commit themselves to his proposal to form Polish and German Committees.	323

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301	GEN. SIR W. HENEKER Oppeln Tel. No. 330	Aug. 14	Reports discussion with Acting French Commissioner during which it was agreed that two battalions and perhaps some cavalry from each of the Allies were required as reinforcements.	324
302	GEN. SIR W. HENEKER Oppeln Tel. No. 331	Aug. 15	Reports that Italian reinforcements, in preference to French troops, occupy Krappitz, Cosel, and Annaberg.	325
303	SIR C. HURST Foreign Office	Aug. 15	Memo. advising that British member of Council of the League of Nations should not support lengthy arbitration procedure for the Silesian question, but an enquiry by the Council working through a committee of three members not concerned with the dispute.	326
304	LORD D'ABERNON Berlin Tel. No. 419	Aug. 17	Reports that, following identic representations of Aug. 17 to German Govt., M.F.A. stated that necessary steps had been taken to prevent semi-military organizations from crossing into Silesia. <i>Note 1.</i> Instructions of Aug. 12 to H.M. representatives in Berlin and Warsaw to concert with Allied colleagues in advising German and Polish Govts. to restrain their subjects pending decision of League of Nations respecting Upper Silesia.	329
305	TO LORD HARDINGE Paris Tel. No. 476	Aug. 17	Refers to Nos. 301 and 302: instructions to inform French Govt. that H.M.G. is prepared to send two battalions and remainder of 14th Hussars and to ask for French support in urging Italian Govt. to despatch two battalions. <i>Note 3.</i> Tel. of Aug. 20 stating it is impossible to send 14th Hussars.	329
306	MR. KENNARD Rome Tel. No. 344	Aug. 18	Reports agreement of Italian Govt. to despatch without delay two battalions to Silesia.	330
307	TO LORD HARDINGE Paris Tel. No. 481	Aug. 20	Instructions to invite French Govt. to explain, if report is correct, their intention to send a brigade to Silesia instead of two battalions.	330
308	LORD HARDINGE Paris Tel. No. 630	Aug. 20	Refers to No. 305: reports that French Govt. will (1) limit reinforcements to two battalions, a machine gun section, and detachment of cavalry, (2) support H.M.G.'s representations at Rome.	331
309	LORD HARDINGE Paris Tel. No. 635	Aug. 21	Reports that French Govt. (1) have agreed not to send cavalry, (2) desire to expedite agreed reinforcements.	331
310	LORD D'ABERNON Berlin Tel. No. 427	Aug. 23	Reports that M.F.A. stated that as export prohibition was the only weapon left to German element, he hoped German Govt. would not be pressed on this matter. <i>Note 1.</i> Oppeln tel. of Aug. 21 suggesting that Allied Govts. should urge German Govt. to remove ban on export of metal products to Upper Silesia.	332

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
311	To LORD D'ABERNON Berlin Tel. No. 203	Aug. 24	Refers to No. 296: instructions to make joint communication with French and Italian colleagues to German Govt. of decision to send two British, two French, and two Italian battalions to Upper Silesia.	333
312	To GEN. SIR W. HENEKER Oppeln Tel. No. 135	Aug. 26	States H.M.G.'s view that Commission should act on their own responsibility with regard to exports to Poland.	333
313	SIR E. HOWARD Madrid Tel. No. 187	Sept. 2	Reports that Spanish Govt. agree to allow Spanish Ambassador at Paris to serve on Committee of Council of League of Nations but decline to allow him to act as President. <i>Note 2.</i> Tels. concerning representation at Madrid.	334
314	To SIR H. STUART Oppeln Tel. No. 146	Sept. 8	Informs him of French Note of Aug. 31 proposing that Allied Commissioners should be instructed to effect that troops in Silesia should not impose by force Allied decision but preserve strict neutrality.	334
315	To SIR H. STUART Oppeln Tel. No. 147	Sept. 8	Refers to No. 314: informs him that subject to concurrence of Army Council it is intended to agree to proposed instructions provided it is understood that Allied troops maintain order until assigned territories have been effectively occupied by Poles and Germans. <i>Note 2.</i> Agreement of Army Council and Sir H. Stuart to proposed reply: H.M.G.'s reply of Sept. 29 to French Note of Aug. 31.	335
316	DR. ROSEN Berlin	Oct. 6	Private letter to Lord Curzon suggesting that, in order to avoid verdict which would undermine position of those Germans working for understanding with England, a further investigation should be demanded. <i>Note 2.</i> Lord Curzon's reply of Oct. 10 declining to enter into discussion.	336
317	LORD D'ABERNON Berlin Tel. No. 480	Oct. 7	Reports conversation of Oct. 6 with President of the Reichstag who spoke of confidence of Germans in England and of the severe setback to policy of co-operation should Geneva decision be unfavourable to Germany.	337
318	GERMAN CHARGÉ D'AFFAIRES London	Oct. 7	Translation of Note stating that (1) drawing of political frontier involves drawing of unconditional economic frontier, (2) German-Polish agreement can be considered only if Poland renounces claims to Upper Silesia, in which event Germany would make economic concessions to Poland.	338

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319 SIR M. CHEETHAM Paris Tel. No. 730	Oct. 8	Transmits draft instructions of the Conference of Ambassadors to Upper Silesian Commission (No. 320) concerning employment of Allied troops during transitional period between announcement of Geneva verdict and enforcement of decision: states that he refused concurrence as this seemed to conflict with H.M.G.'s Note of Sept. 29 (No. 315 n. 2).	339
320 CONFERENCE OF AMBASSADORS Paris	Oct. 8	Text of draft instructions to Upper Silesian Commission.	340
321 SIR M. CHEETHAM Paris Tel. No. 733	Oct. 8	Refers to No. 319: reports conversation of Oct. 7 with German Ambassador who repeated statement already made to M. Briand that Germany would resist any attempt to draw a frontier in Silesia not in accordance with the economic one.	341
322 To SIR M. CHEETHAM Paris Tel. No. 567	Oct. 10	Refers to No. 319: suggests that section 2, para. 2, and section 4 should be eliminated from proposed instructions (No. 320). <i>Note 4.</i> Sir E. Crowe's tel. of Oct. 9 commenting on proposed instructions in No. 320.	342
323 To MR. LONDON Geneva Tel. No. 63	Oct. 10	Asks for explanation why German Govt. have been able to obtain information, which has not reached H.M.G., on deliberations at Geneva concerning Upper Silesia.	343
324 To MR. LONDON Geneva Tel. No. 64	Oct. 10	Transmits message from Sir M. Hankey to Mr. Balfour informing him that German Govt. declare they must refuse to accept independent industrial area under international control. <i>Note 3.</i> Letter of Sept. 29 from Mr. Balfour to Sir M. Hankey.	343
325 LORD D'ABERNON Berlin Tel. No. 481	Oct. 10	Reports that Dr. Rathenau stated that he will propose to Govt. to make public its intention to resign in event of decision to make political division of and to establish an international organization in the industrial area.	344
326 SIR M. CHEETHAM Paris Tel. No. 737	Oct. 11	Reports statements in French press that H.M.G. are putting pressure on the League of Nations and are working generally in favour of Germany: suggests need for H.M.G. to issue some reassuring statement.	345
327 SIR M. CHEETHAM Paris Tel. No. 739	Oct. 11	Reports that French Govt. press for reply to their proposal of Oct. 7 that, to put into force quickly decision of League of Nations expected to be made at latest by Oct. 13, Conference of Ambassadors should be empowered to act.	346
328 To LORD D'ABERNON Berlin Tel. No. 228	Oct. 11	Refers to No. 325: records that German Ambassador was advised that his Govt. should not resign in panic but examine proffered settlement.	346

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329 Mr. LONDON Geneva Tel. No. 51	Oct. 12	Transmits message from Mr. Balfour to Sir M. Hankey: text of Council's decisions (which involve partition of industrial area and provisions designed to mitigate its inconveniences) will be despatched that night.	347
330 Mr. LONDON Geneva Tel. No. 50	Oct. 12	Refers to Nos. 323 and 324: reports that German Govt. probably obtained information from Silesian witnesses since questions put to them indicated contemplated solution: adds that, if Germans reject economic safeguards, then Poland can be given free hand to expropriate German industries.	347
331 To SIR M. CHEETHAM Paris Tel. No. 577	Oct. 12	Refers to Nos. 326 and 327: states (1) that rumours can be categorically denied, (2) that H.M.G. have informed French Govt. that it is not possible to decide length of time required to give effect to League's decision.	348
332 SIR M. CHEETHAM Paris Tel. No. 741	Oct. 12	Refers to No. 327: reports that French Govt. propose that period between notification of the League's decision to, and its adoption by, Supreme Council should be as short as possible and that Commissioners should be notified 48 hours before Polish and German Govts. <i>Note 4. Agreement of H.M.G. that League should not publish findings until Allied powers have announced decision.</i>	349
333 SIR M. CHEETHAM Paris Tel. No. 742	Oct. 12	Refers to No. 322: reports that, as in Conference of Ambassadors of Oct. 12 both French and Italian representatives opposed omissions from draft instructions, he proposed a compromise which he has since learned the French Govt. will be prepared to adopt, namely that Commissioners should be asked whether they require further instructions on specific points.	350
334 To MR. MAX MULLER Warsaw Tel. No. 200	Oct. 13	Authorizes him to issue <i>démenti</i> of press rumours that H.M.G. view unfavourably and have attempted to influence decision of League of Nations in regard to Silesia.	352
335 To SIR H. STUART Oppeln Tel. No. 156	Oct. 13	Instructions to consult Gen. Heneker and to report whether he approves compromise in draft instructions suggested in No. 333.	352
336 To LORD D'ABERNON Berlin Tel. No. 231	Oct. 14	Records conversation of Oct. 13 with German Ambassador to whom it was stated that decision about Silesia was less unfavourable to Germany than had been believed and should be accepted.	353
337 To SIR M. CHEETHAM Paris Tel. No. 591	Oct. 14	States that H.M.G. agree that Conference of Ambassadors should give effect to League's recommendation: proposes procedure involving mixed commission, frontier limitation commission, arbitral	353

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		tribunal and convention between Poland and Germany.	
338 LORD D'ABERNON Berlin Tel. No. 488	Oct. 14	Refers to No. 336: suggests maps be published in London to show how Geneva line follows more closely the Percival than the Le Rond line. (See No. 26, nn. 4 and 5): states that hopes of German Govt. are centred in economic provisions. <i>Note 2.</i> F.O. despatch No. 1643 of Oct. 18 stating undesirability of H.M.G.'s being connected with publication of papers or maps.	354
339 SIR H. STUART Oppeln Tel. No. 372	Oct. 14	Refers to No. 335: states that in view of Commission's recent proclamation instructions even with proposed amendments are unnecessary.	355
340 SIR H. STUART Oppeln Tel. No. 373	Oct. 14	Refers to No. 339: claims that Commission is an entity entirely independent of the Conference of Ambassadors.	356
341 SIR M. CHEETHAM Paris Tel. No. 754	Oct. 15	Refers to No. 337: reports that (1) French and Italian representatives in Conference of Ambassadors of Oct. 15 urged that, according to Treaty of Versailles, territories must be handed to Poland and Germany one month after notification irrespective of conclusion of economic convention, (2) Conference formally adopted as their own the proposals of League of Nations and decided to communicate them confidentially to Commissioners at Oppeln.	356
342 SIR M. CHEETHAM Paris Tel. No. 757	Oct. 16	Refers to No. 337: asks for instructions concerning (1) whether to press for special neutral chairman of Mixed Commission which according to League's proposal should be set up by Allied Govts. before convention is negotiated, (2) whether he can agree that existing Polish-German Boundary Commission should delimit frontier.	358
343 MR. MAX MULLER Warsaw Tel. No. 412	Oct. 16	Reports on favourable reception in official circles of League's decision and states that his <i>démenti</i> (see No. 334) produced good effect.	359
344 SIR E. CROWE Foreign Office	Oct. 16	Memo. discussing the problem (see No. 341) whether territories in Upper Silesia should be handed over to Poland and Germany before conclusion of economic convention.	360
345 To SIR M. CHEETHAM Paris Tel. Unnumbered	Oct. 17	Refers to No. 342: gives Sir E. Crowe's personal observations: (1) necessary that German and Polish Govts. should confer powers on Mixed Commission, (2) no objection to single chairman presiding over Mixed Commission and over negotiations for economic convention, (3) no objection	362

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		to existing Boundary Commission but one drawn from officers in Silesia would save time.	
346 SIR M. CHEETHAM Paris Tel. No. 766	Oct. 17	Refers to No. 345: states that (1) he realizes that German and Polish Govts. should appoint representatives to the Mixed Commission, his suggestion being that the President of this Commission, appointed by the League, should also preside over negotiations for economic convention, (2) Plebiscite Commission lack expert surveyors and instruments, (3) presence of H.M.G.'s legal advisers in Paris would expedite business. <i>Note 5.</i> Minute by Lord Curzon concerning Nos. 341, 344, and 347.	363
347 MR. SALTER London	[Oct. 17]	Memo. suggesting procedure whereby agreement of Polish and German Govts. to establish Mixed Commission and to negotiate economic convention is obtained prior to formal notification of the frontier recommended by the League.	364
348 To LORD HARDINGE Paris Tel. No. 597	Oct. 17	Instructions to propose in Conference of Ambassadors the procedure advocated in No. 339.	366
349 To SIR H. STUART Oppeln Tel. No. 161	Oct. 17	Refers to No. 340: explains that all Plebiscite Commissions (unlike Rhineland High Commission) were definitely placed under controlling authority of Ambassadors' Conference.	366
350 To LORD HARDINGE Paris Tel. No. 598	Oct. 18	Refers to Nos. 341 and 342: expresses H.M.G.'s view that the frontier should not be formally notified until Polish and German Govts. have accepted League's economic recommendations and that both parties should be made to realize that any refusal or obstruction may result in new decision unfavourable to the offending party.	367
351 LORD HARDINGE Paris Tel. No. 772	Oct. 19	Reports that Conference of Ambassadors on Oct. 19 (1) adopted H.M.G.'s proposals in No. 350 and will notify this decision to German and Polish Govts. on Oct. 20, (2) accepted H.M.G.'s proposals concerning employment of troops (see Nos. 339 and 348).	368
352 LORD HARDINGE Paris No. 2884	Oct. 19	Transmits copies of decision of Oct. 19 of Conference of Ambassadors and draft of letter to German and Polish delegations (see No. 351). <i>Note 3.</i> Paris tel. of Oct. 25 reporting acceptance of decision by Polish Govt.	368
353 To LORD D'ABERNON Berlin Tel. No. 239	Oct. 20	Warns him of danger of being drawn into discussions with Dr. Stresemann.	371

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354	SIR H. STUART Oppeln No. 148	Oct. 21	Reports that Commission agreed with H.M.G.'s proposals (No. 350) and welcomed their adoption by Ambassadors' Conference (No. 351): expresses view that, despite certain rumours, there will be no serious armed resistance.	372
355	To LORD D'ABERNON Berlin Tel. No. 28 To MR. MAX MULLER Warsaw Tel. No. 19	Oct. 24	Tel. from Lord Hardinge transmitting request of Conference of Ambassadors that representations be made to German and Polish Govts. to prevent incursion into Upper Silesia of persons likely to disturb peace.	373
356	SIR H. STUART Oppeln Tel. No. 376	Oct. 27	Proposes that as soon as Convention is concluded Allied Powers should notify frontier to Poland and Germany or alternatively that Plebiscite Commission shall make the notification when they consider frontier has been laid on ground with sufficient precision.	374
357	LORD D'ABERNON Berlin Tel. No. 505	Oct. 27	Reports that M.F.A., following resignation of Govt., in a conversation of Oct. 26 accused H.M.G. of negligence at Geneva.	375
358	LORD HARDINGE Paris Tel. No. 810	Oct. 27	Reports that Conference of Ambassadors decided to reply to German Govt. that they cannot accept statements made in answer to No. 352 and that by appointing delegates German Govt. had accepted all conditions and stipulations.	375
359	To LORD HARDINGE Paris Tel. No. 633	Oct. 29	Authorizes him to accept in Conference of Ambassadors German proposal that chairman of Mixed Commission should be agreed by Polish and German Govts. or, failing agreement, be nominated by American President. <i>Note 3.</i> Berlin tel. of Oct. 25 communicating German proposal.	376
360	LORD HARDINGE Paris Tel. No. 829	Oct. 30	Refers to No. 359: points out danger of modification of terms of Upper Silesian decision and suggests possibility of League's appointing, in place of M. Ador, another president of Mixed Commission acceptable to German Govt.	377
361	To LORD HARDINGE Paris Tel. No. 637	Oct. 31	Refers to No. 356: suggests that once the convention is concluded Conference of Ambassadors should instruct Plebiscite Commission to transfer German territory to Poland and prepare to evacuate.	377
362	LORD HARDINGE Paris Tel. No. 835	Oct. 31	Refers to No. 356: states that when convention is satisfactorily concluded he will propose to Conference of Ambassadors that Plebiscite Commission should be authorized to transfer territory.	378
363	LORD HARDINGE Paris Tel. No. 838	Oct. 31	Reports that French Govt. is opposed to modification of decision (see No. 359) as being slight on League and is unlikely to agree replacement for M. Ador (see No. 360).	378

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364 LORD HARDINGE Paris Tel. No. 848	Nov. 3	Reports that Council of the League has invited M. Ador to preside over negotiations for German-Polish convention and suggests that as appointment of President of Mixed Commission cannot be taken out of hands of League any procedure concerning nomination should be proposed by British delegate.	379
365 SIR H. STUART Oppeln Tel. No. 378	Nov. 10	Tel. to Warsaw and Berlin requesting representations to effect that Plebiscite Commission is of opinion that German and Polish Govts. should not send delegates into plebiscite area to make interrogations.	380
366 SIR H. STUART Oppeln Tel. No. 380	Nov. 12	Transmits identic tel. from Commissioners to their Govts. drawing attention to dangers of delay in drawing up economic convention and in fixing in detail frontier in industrial and certain other areas.	380
367 LORD HARDINGE Paris Tel. No. 878	Nov. 16	Reports (1) that Conference of Ambassadors considered No. 366 on Nov. 16, it being stated that M. Calonder had been invited to take place of M. Ador who had withdrawn and that appointment of President of Mixed Commission would soon be made, (2) that instructions to Boundary Commission had been issued, (3) that Conference decided to make representations in Warsaw and Berlin for liberation of detained Upper Silesians.	381
368 LORD D'ABERNON Berlin Tel. No. 528	Nov. 22	Reports that German Govt. agreed to put pressure on local leaders to prevent disturbances. <i>Note 1.</i> Oppeln tel. of Nov. 21 requesting representations at Berlin.	382
369 SIR H. STUART Foreign Office	Dec. 1	Memo. pointing out delay in settling Upper Silesia question, the desire of the French to prolong the occupation and suggesting British delegate on League Council be asked to urge M. Calonder to secure conclusion of economic convention by end of Jan. 1922. <i>Note 4.</i> Letter of Dec. 9 from Secretary-General of the League pointing out that duties of League with regard to Upper Silesia had ended.	383
370 LORD HARDINGE Paris Tel. No. 963	Dec. 21	Reports that Conference of Ambassadors decided on Dec. 21 to inform Boundary Commission that it should not complete its work before conclusion of economic convention.	385
371 SIR H. STUART Oppeln No. 203	1922 Jan. 12	Reports conversations with M. Calonder and Herr Schiffer who expressed opinion that convention would be concluded by Feb. 15: urges representations be made at Berlin and Warsaw for speeding	386

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		ratification: points out that if French Govt. occupied German part of Upper Silesia as guarantee for reparation payments the situation would be serious.	
		<i>Note 3.</i> F.O. despatch No. 243 of Jan. 25 to Lord Hardinge advising that Conference of Ambassadors should take steps to secure ratification of Convention within one week of its conclusion.	
372 LORD HARDINGE Paris Tel. No. 29	Jan. 18	Reports that on Jan. 18 Conference of Ambassadors decided to refer to Plebiscite Commission German Note holding principal Allied Powers responsible for damage caused by rising in Upper Silesia: expresses view that German and Polish Govts. should pay compensation for damage done by their respective insurgents.	388
373 SIR H. STUART Oppeln Tel. No. 5	Jan. 31	Reports incidents (Petersdorf affair) involving Selbstschutz and attributes them to provocative searches by French troops. <i>Note 1.</i> Tel. of Feb. 4 reporting action taken by Commission to control searches.	389
374 LORD HARDINGE Paris No. 261	Feb. 1	States view that question of compensation should be dealt with by Conference of Ambassadors and not by Commissions in Silesia: proposes he should uphold principle suggested in No. 372: discusses question of allocation of costs of the Plebiscite Commission.	390
375 GEN. SIR W. HENEKER Oppeln Tel. No. 15	Feb. 15	Suggests that proposals in No. 374 should be discussed with Sir H. Stuart in London.	392
376 LORD HARDINGE Paris Tel. No. 99	Feb. 22	Reports (1) that he opposed in Conference of Ambassadors the French assumption that German Govt. was responsible for events reported in No. 373, (2) that the Conference agreed proposals in No. 371 n. 3 and suggested that marking on ground of new frontier should begin on day convention is signed.	392
377 To LORD HARDINGE Paris No. 563	Feb. 24	Refers to No. 374: gives H.M.G.'s views: (1) German and Polish Govts. should pay for cost of Plebiscite Commission in proportion to wealth of areas awarded, (2) assessment of damages done by Polish and German partisans would be impracticable, (3) before frontier is fixed German and Polish Govts. should formally accept responsibility for damages in question.	394
378 GEN. SIR W. HENEKER Oppeln Tel. No. 9	Feb. 25	Reports that Commission is controlling search for arms and states that there is no proof that German Govt. and Selbstschutz leader were implicated in incidents reported in No. 373.	395
379 LORD HARDINGE Paris Tel. No. 117	Mar. 1	Reports that in Conference of Ambassadors on Mar. 1 he accepted Plebiscite Commission view that expenses should be a	396

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		charge on territory: requests Sir H. Stuart's views as to proportions German and Polish Govts. should pay.	
380 LORD HARDINGE Paris Tel. No. 121	Mar. 2	Reports that Conference of Ambassadors decided to ask German Govt. to assist in arrest of persons involved in incidents reported in No. 373.	397
381 To LORD HARDINGE Paris No. 645	Mar. 6	Refers to No. 379: instructions to support in Conference of Ambassadors a proposal for treating compensation for damages as part of the total liability of German and Polish Govts. <i>Note 3.</i> Oppeln despatch of Nov. 17, 1921, reporting that German Govt. had made grant of 100 million marks for relief committees.	397
382 LORD HARDINGE Paris Tel. No. 136	Mar. 9	Requests that, in view of French complaint of delay, instructions be sent to Lord D'Abernon to carry out resolution of Conference of Ambassadors by supporting his colleagues in making representations to German Govt. for arrest of fugitives from Upper Silesia concerned in Petersdorf affair. <i>Note 1.</i> Oppeln despatch of Mar. 5 transmitting copies of correspondence between Lord D'Abernon and Gen. Heneker. <i>Note 2.</i> Legal Adviser's opinion that question of extradition did not arise.	399
383 LORD HARDINGE Paris Tel. No. 158	Mar. 17	Advocates retention of eight British battalions in Upper Silesia.	400
384 LORD HARDINGE Paris Tel. No. 159	Mar. 17	Transmits message to Oppeln from Sir H. Stuart in Paris saying he has recommended that question of surrender of fugitives (see No. 382) be remitted to the Commission. <i>Note 1.</i> The Special Court in Upper Silesia.	400
385 GEN. SIR W. HENEKER Oppeln Tel. No. 36	Mar. 22	Reports that he agreed in Commission to the demand from German Govt. for extradition of six persons accused of murder but not of six persons accused of forming bands unless the charge were changed to one of complicity in sedition.	401
386 MR. MAX MULLER Warsaw No. 154	Mar. 24	Transmits memo. by Mr. Kimens, Commercial Secretary in H.M. Legation, advocating earliest possible liquidation of International Commission in Upper Silesia in order to eliminate disturbing French influence.	402
387 MR. KIMENS Warsaw	[undated]	General survey on the economic situation in Upper Silesia pointing out that even to maintain present development of resources there must be harmonious co-operation between Germany and Poland, and that, in their own interests, Poles should refrain from ruthless expropriation of industrial undertakings.	405

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388	To LORD HARDINGE Paris No. 990	Apr. 7	Refers to Nos. 377 and 381: instructions to propose Sir H. Stuart's recommendation to the Conference of Ambassadors that costs of occupation and compensation for damage should be charged to German and Polish Govts. in ratio to be fixed by Allies on basis of wealth of territories assigned to those Govts.	407
389	GEN. SIR W. HENEKER Oppeln Tel. No. 40	Apr. 8	Suggests that Genoa Conference should urge speedy ratification of M. Calonder's convention.	408
390	To LORD HARDINGE Paris No. 1055	Apr. 12	Transmits copy of No. 389: states that as text of convention should be ready by about Apr. 20 there is need only for Ambassadors' Conference to press Polish and German Govts. to ratify within one week.	409
391	SIR E. DRUMMOND Geneva	Apr. 20	Letter to Mr. Tufton reporting that M. Calonder has stated that although agreement has been reached on outstanding points the treaty will not be ready for signature until May 15.	409
392	LORD HARDINGE Paris Tel. No. 226	Apr. 21	Requests that Lord D'Abernon be instructed to concert with colleagues to support Conference of Ambassadors' note to German Ambassador at Paris requesting German Govt. to arrest and surrender persons accused of complicity in Petersdorf affair (see No. 380). <i>Note 3.</i> Instructions of Apr. 22 to Lord D'Abernon.	410
393	LORD HARDINGE Paris Tel. No. 284	May 24	Reports that on May 24 Conference of Ambassadors decided (1) to request German and Polish Govts. to guarantee sums required in respect of territories to be awarded before transfer of territory takes place, (2) to invite League of Nations to arrange for Mixed Commission and Arbitral Tribunal to assist during the period of transfer, (3) to request Polish and German Govts. to amend text of convention in light of observations of legal advisers.	411
394	LORD HARDINGE Paris Tel. No. 293	June 1	Reports that at Conference of Ambassadors on May 31 French representatives urged that Reichstag resolution upholding Herr Schiffer's declaration at Geneva should be deemed to have invalidated German ratification of Germano-Polish Economic Convention: requests early instructions. <i>Note 4.</i> Reichstag debate, May 31, 1922. <i>Note 5.</i> Herr Schiffer's declaration at Geneva.	412
395	To LORD HARDINGE Paris Tel. No. 195	June 6	Refers to No. 394: states that Reichstag voted no resolution: gives H.M.G.'s view that even if passed it would not have invalidated ratification.	414

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
396 SIR H. STUART Oppeln Tel. No. 21	June 6	Reports to Lord Hardinge that German and Polish plenipotentiaries exchanged ratifications of economic convention on June 3, having made modifications (see No. 393). <i>Note 3.</i> Reports of Polish and German ratifications.	415
397 LORD HARDINGE Paris Tel. No. 308	June 7	Reports that on June 7 Conference of Ambassadors decided that Plebiscite Commission should be invited to issue notification to German and Polish Govts. concerning transfer of territories: requests authority to support proposal for transfer of prisoners to the Rhineland.	415
398 LORD HARDINGE Paris Tel. No. 320	June 12	Reports that he intends, unless instructed to contrary, to propose in Conference of Ambassadors that German protest (see No. 394, n. 5) be declared null and void. <i>Note 3.</i> Report of Conference of Ambassadors' decision of June 14.	417
399 MR. BOURDILLON Oppeln Tel. No. 74	June 16	Reports that (1) German plenipotentiary agreed to transfer of prisoners to Rhineland, to judgments of Allied Special Court and right of Allied Powers to veto revisions of such judgments, (2) agreement concerning transfer of territory was signed on June 16.	417
400 TO MR. ADDISON Berlin Tel. No. 56	June 17	Message congratulating Sir H. Stuart.	418
401 SIR M. CHEETHAM Paris Tel. No. 334	June 23	Reports that on June 23 Conference of Ambassadors decided to request Allied Ambassadors at Berlin to inform German Govt. that if arrangement for prisoners (see No. 399) is not ratified prisoners will be provisionally transferred to Polish Upper Silesia.	418
402 GEN. SIR W. HENEKER Oppeln No. 178	June 23	Reports progress of transfer and evacuation of territories and the establishment of Mixed Commission and Arbitral Tribunal.	419
403 GEN. SIR W. HENEKER Oppeln Tel. No. 79	June 27	Reports progress of transfer of territories and arrangements for transfer of prisoners to Rhineland.	420
404 SIR M. CHEETHAM Paris Tel. No. 349	June 30	Reports that Conference of Ambassadors decided on June 30 that (1) Commission should retain on withdrawal sum of 200,000 paper marks for future division between Allied Govts., (2) German Govt. be informed that transfer to Germany of three communes originally earmarked for Czechoslovakia was provisional.	420
405 LORD HARDINGE Paris Tel. No. 362	July 10	Proposes unless instructed to the contrary to support in Conference of Ambassadors Italian proposal that Upper Silesian Commission on evacuation should not establish itself in Paris.	421

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
			<i>Note 3.</i> F.O. tel. No. 223 of July 10 approving above-mentioned proposal.	
406	SIR H. CHEETHAM Paris Tel. No. 376	July 17	Requests instructions concerning French proposals for insistence on dissolution of the Selbstschutz and for pressing German Govt. for indemnities for families of victims and arrest of authors of outrages.	422
407	SIR M. CHEETHAM Paris Tel. No. 394	July 26	Reports that Conference of Ambassadors on July 26 decided (1) to wind up the Plebiscite Commission forthwith but to give Commissioners powers for a specified period, (2) to inform German Govt. that under no circumstances would Allied Govts. take responsibility for payment of compensation.	423
408	TO SIR M. CHEETHAM Paris No. 2377	July 29	Refers to No. 406: states that H.M.G., while agreeing to dissolution of Selbstschutz, believe that outrages need investigation: no further representations to German Govt. concerning Petersdorf incident (No. 380) should be made pending a report.	424
			<i>Note 5.</i> Berlin despatch of August 5 reporting German Govt.'s statement concerning persons in Petersdorf incident.	
409	TO SIR M. CHEETHAM Paris No. 2386	July 31	Informs him of H.M.G.'s nominations of personnel of Plebiscite Commission (dissolved as from July 17) to assist Conference of Ambassadors' financial committee in liquidating accounts: instructions to urge Conference to give opportunity to German and Polish Govts. to settle between themselves division of cost of occupation.	426
410	SIR M. CHEETHAM Paris Tel. No. 403	Aug. 2	Reports that Conference of Ambassadors decided (1) committee in Paris should investigate alleged attacks by Germans on French soldiers (see No. 408), (2) financial committee should examine question of pensions for victims, (3) Military Commission of Control should take steps to dissolve Selbstschutz.	426
411	MR. SARGENT Paris	Aug. 31	Letter to Mr. Cadogan stating he has arranged that Gen. Le Rond's request for Sir H. Stuart to visit Paris on Sept. 5 should be ignored; and presuming that Gen. Heneker, Acting Commissioner at the time, will take part in preparing Commissioners' reports on incidents (see No. 410).	427
412	LORD D'ABERNON Berlin No. 714	Sept. 4	Reports that on Sept. 3 a referendum in German Upper Silesia resulted in 90% majority for retaining status as autonomous province of Prussia.	429
413	MR. LAMPSON Foreign Office	Sept. 4	Records conversation with German Chargé d'Affaires whom he advised not to make accusations in regard to incidents in Upper Silesia against the French: H.M.G.	429

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		had only with difficulty persuaded French Govt. to refer the question to a committee in Paris (see No. 410).	
414 LORD HARDINGE Paris Tel. No. 458	Sept. 8	Refers to Nos. 407 and 411: requests to be informed whether to support French proposal for meeting of Upper Silesian ex-Commissioners in Paris.	430
415 LORD HARDINGE Paris Tel. No. 461	Sept. 12	Refers to No. 414: reports that Sir H. Stuart would be required only for one or two days to sign certain documents.	431
416 To LORD HARDINGE Paris Tel. No. 296	Sept. 12	Refers to No. 414: states H.M.G.'s view that ex-Commissioners should not meet in Paris until financial committee have notified Conference of Ambassadors that their presence is required.	431
417 To LORD HARDINGE Paris Tel. No. 297	Sept. 12	States H.M.G.'s views that meetings of French and Italian ex-Commissioners are contrary to Conference of Ambassadors' decision of July 26 (see No. 407).	431
418 To LORD HARDINGE Paris No. 2999	Oct. 2	Instructions to press in Conference of Ambassadors for (1) Oct. 15 as time limit for renewed powers of Commissioners, (2) resolution that all matters outstanding after that date be handed over entirely to Conference of Ambassadors.	432
419 LORD HARDINGE Paris Tel. No. 501	Oct. 4	Reports that on Oct. 4 Conference of Ambassadors decided to confer provisional powers on ex-Commissioners until Oct. 19 (cf. No. 418) and to transfer from that date all outstanding matters to the Conference of Ambassadors.	434
420 MR. BOURDILLON Foreign Office No. 201 [in Oppeln series]	Oct. 31	Transmits copies of final report of Oct. 19 of ex-Commissioners and reports transactions of these Commissioners in Paris, Oct. 9-18, including recommendations that (1) Germany should pay, before division of deficit is made, a milliard of marks in respect of revenue collected outside Upper Silesia, (2) ratio should be: Germany 40: Poland 60. <i>Note 4.</i> Division of Commission's balance and of reimbursements of costs of occupation between Great Britain, France, and Italy.	434
421 LORD HARDINGE Paris No. 2557	Nov. 2	Refers to No. 410 and reports that Mr. Bourdillon in absence of Gen. Heneker refused to sign report drawn up by Gen. Le Rond and Gen. de Marinis on German attacks on French soldiers (see No. 373). <i>Note 3.</i> Letter of Oct. 22 to Gen. Le Rond from Gen. Heneker refusing to sign report and deprecating any further representation on subject to German Govt.	437

PART II. GERMANY

CHAPTER III

Reparation by Germany: Events leading to the Allied Ultimatum to Germany January 1–May 5, 1921

NO. AND NAME	DATE 1921	MAIN SUBJECT	PAGE
422 LORD D'ABERNON Paris Unnumbered	Jan. 3	Note submitting memo. on position of negotiations at Brussels Conference. <i>Encl.</i> Notes on special subjects under discussion at Brussels Conference: (1) German budget position, (2) prospects of reparations in cash and in kind, (3) effect on German economic recovery of: (a) cost of armies of occupation, (b) German mercantile shipping commitments under Treaty of Versailles, (c) necessity of giving most-favoured-nation treatment to Allies without receiving it in return, (d) monthly remittances to Allied clearing-houses, (e) sequestration of German property in Allied countries, (f) economic reprisals. Germany's weakness is in financial rather than in industrial sphere.	439
423 LORD HARDINGE Paris Tel. No. 21	Jan. 11	Paraphrase of instructions sent to French Ambassador at Berlin by French Govt. on Jan. 11: postponement of reopening of Brussels Conference explained and necessity for German acceptance of reparation proposals presented to Dr. Bergmann in Paris on Jan. 7 and of the principle of an annuity of 3 milliard gold marks for five years: view of Belgian and British delegations: suggests Lord Kilmarnock be authorized to urge German Govt. to settle problem immediately.	443
424 LORD KILMARNOCK Berlin Tel. No. 8	Jan. 13	Reports French Ambassador's receipt of instructions (No. 423), and his own interview with M.F.A. who considered French proposals less advantageous to Germany than those recently made to Herr Bergmann (cf. No. 425). <i>Note 2.</i> Lord Kilmarnock authorized in F.O. tel. No. 21 of Jan. 13 to make representations to German Govt. suggested in No. 423.	444
425 LORD KILMARNOCK Berlin Tel. No. 11	Jan. 14	Refers to No. 424 and reports further interview with M.F.A.: Dr. Simons's inability to pledge German Govt.'s immediate payment of 3 milliard gold marks and confusion as to latest French proposal,	445

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		two proposals by M. Seydoux having been brought back from Paris by Herr Bergmann. Postponement of Conference of Prime Ministers owing to M. Leygue's resignation on Jan. 12. German Govt.'s need to know result of Upper Silesian plebiscite before making definite arrangement on reparation.	
426 LORD KILMARNOCK Berlin Tel. No. 18	Jan. 16	Reports French Ambassador's account of his interview with Dr. Simons on Jan. 15: German Govt. accepted proposed French scheme subject to certain reservations.	446
427 LORD D'ABERNON Paris No. 15	Jan. 19	Reports (1) Herr Bergmann's return to Paris and statement on Jan. 16 of German Govt.'s position: no annual payment could be undertaken unless total indebtedness fixed, 3 milliards gold marks annually far beyond Germany's capacity, no cash payment could be contemplated, (2) his private interview with Herr Bergmann on Jan. 18 (see No. 430): considers declarations a satisfactory basis for further discussion: views of M. Seydoux.	447
428 LORD D'ABERNON Paris No. 16	Jan. 19	Suggests examination by legal experts of position relating to Allied Govts.' presentation to German Govt. of a statement of total reparation claim before May 1, 1921.	448
	Jan. 17	<i>Encl.</i> Memo. by Lord D'Abernon on the legal position in respect of Arts. 232 and 233 of Treaty of Versailles: concludes that new contract with Germany inevitable, a total block figure not consistent with terms of Treaty.	449
429 LORD D'ABERNON Paris No. 17	Jan. 20	Encloses report dated Jan. 18 of Brussels Conference: considers this document and Nos. 427 and 428 give main material needed for discussions at Paris Conference the following week.	449
430 LORD D'ABERNON Paris No. 18	Jan. 26	Encloses memo. showing, in parallel columns, Herr Bergmann's statement of what he thought German Govt. might agree to and M. Seydoux's modifications to bring it into line with what he thought French Govt. would accept: points out relative smallness of gap between the two statements.	450
431 LORD KILMARNOCK Berlin Tel. No. 25	Jan. 26	German Chancellor's official declaration of Govt.'s attitude towards reparations and position of the Paris Conference with regard to course of negotiations.	452
432 LORD KILMARNOCK Berlin Tel. No. 28	Jan. 31	Dr. Simons's reported intention to refuse to discuss or negotiate reparations on the basis of the Paris Conference decisions of Jan. 29 (see Vol. XV, Chap. I).	453

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
433	LORD KILMARNOCK Berlin Tel. No. 31	Jan. 31	Reports consternation created in Govt. and Parliamentary circles by Paris Conference decisions of Jan. 29; comments on reasons for obstructive attitude.	453
434	LORD KILMARNOCK Berlin No. 195	Feb. 1	Reports press denunciation of Paris Conference decisions: discusses economic and political aspects of situation which he concludes is too complex for forecast of possible developments.	454
435	SIR E. CROWE Foreign Office	Feb. 2	Record of conversation with German Ambassador on Feb. 2 on proposed German representation at forthcoming London Conference: Dr. Simons's acceptance of a formal invitation dependent on assumption that discussion be allowed on reparation proposals.	457
436	LORD D'ABERNON Berlin Tel. No. 40	Feb. 4	Conversation with Dr. Simons on reparation question and Paris Conference decisions: Lord D'Abernon's emphasis on need for technical discussions by experts before London Conference.	458
437	LORD D'ABERNON Berlin Tel. No. 43	Feb. 6	Reports considerable misunderstanding of Paris Conference resolutions and suggests basis for unofficial declarations to allay misapprehension and relieve tension.	460
438	SIR M. CHEETHAM Paris Tel. No. 83	Feb. 9	Conference of Ambassadors' meeting, Feb. 9: (1) discussion on disposal of German war material which Control Commission have decided not to destroy, (2) Legal Advisers' view on impossibility of defining 'war material' as used in Treaty of Versailles noted, (3) consideration of Legal Advisers' report on ownership of military, naval, and aeronautical material in German territory ceded to another country under Peace Treaty.	461
439	TO LORD HARDINGE Paris Tel. No. 68	Feb. 10	Outlines reasons for not communicating Brussels report (see No. 429) to German Govt.: instructions to ask French Govt. not to communicate it at least until London Conference.	463
440	LORD D'ABERNON Berlin Tel. No. 51	Feb. 12	Reports interview with Dr. Simons on (1) Allied reparation proposals: German counter-proposals being prepared, (2) German representation at London Conference.	463
441	TO LORD D'ABERNON Berlin Tel. No. 29	Feb. 12	Agrees to suggestions in No. 437 and need for technical discussions (see No. 436): instructions to impress on German Govt. desirability of early production of counter-proposals.	465
442	LORD D'ABERNON Berlin Tel. No. 61	Feb. 17	Reports French Ambassador's attitude since recent return from France: no concessions on Paris Conference decisions will be accepted by French Govt.	466

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
443 LORD D'ABERNON Berlin Tel. No. 64	Feb. 19	Reports his interview with Herr Cuno and Dr. Melchior of Technical Committee on Reparations: preference expressed for preliminary expert discussion on German counter-proposals to take place in London rather than in Berlin.	466
444 LORD D'ABERNON Berlin Tel. No. 71	Feb. 24	Summarizes main points in Dr. Simons's speech, on Feb. 24 before State Economic Council, on Paris Conference decisions.	467
445 LORD D'ABERNON Berlin Tel. No. 73	Feb. 24	Reports conversation with M.F.A. who informed him that (1) unanimous decision expected on counter reparation proposals, (2) experts would not accompany M.F.A. to London Conference, (3) German counter-proposals regarded as contribution to further negotiations, (4) reopening of disarmament discussions would spoil the pitch for reparations.	468
446 SIR E. CROWE Foreign Office	Feb. 28	Summarizes his conclusions on Paris Agreement of Jan. 29: considers disarmament demands should be maintained in full; outlines legal, economic, and political position with regard to enforcement of reparation proposals.	469
	Feb. 28	<i>Encl.</i> Memo. by Mr. Waterlow on the Paris Agreement as to reparations and the forthcoming conference with the Germans. <i>Note 7.</i> Dr. Simons's reported intention not to disarm E. Prussian fortresses. <i>Note 9.</i> Estimates of payments and deliveries made by Germany under Treaty of Versailles. <i>Note 13.</i> Brazilian Govt.'s protest on proposed tax on German exports.	470
447 MR. ROBERTSON Coblenz Tel. No. 18	Mar. 3	Refers to proposed occupation of three Rhine forts and establishment of customs frontier on Rhine, and points out danger of economic chaos.	474
448 LORD KILMARNOCK Berlin No. 390	Mar. 3	Describes reception in Germany of Allied Govts.' refusal to accept counter-proposals as basis for discussion: discusses possibility of Franco-German economic <i>rapprochement</i> .	474
449 LORD KILMARNOCK Berlin Tel. No. 82	Mar. 4	Reaction in Germany to results of London Conference: note is one of despondency rather than of defiance.	477
450 TO MR. ROBERTSON Coblenz Tel. No. 11	Mar. 5	Draws attention to Mr. Lloyd George's speech of March 3 on reparation negotiations and sanctions to be imposed: details of Rhineland customs measures being sent.	477
451 LORD HARDINGE Paris Tel. No. 129	Mar. 5	Press and public reaction in France to London Conference proceedings: satisfaction at re-establishment of Anglo-French intimate relations, apprehension and scepticism on certain of the proposals.	478

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
452	MR. ROBERTSON Coblentz Tel. No. 20	Mar. 6	Refers to No. 447: enlarges on economic disturbances likely to follow enforcement of Allied decisions: requests precise instructions on attitude to adopt.	479
453	TO MR. ROBERTSON Coblentz Tel. No. 14	Mar. 7	Explains French Govt.'s proposals for duties on trade between occupied and unoccupied Germany: H.M.G. agree in principle, but further detailed examination needed.	480
454	MR. ROBERTSON Coblentz Tel. No. 21	Mar. 8	Describes difficulties in fixing tariff rates which would not gravely affect industries and life of occupied territory: requests services of tariff expert.	481
455	LORD HARDINGE Paris Tel. No. 136	Mar. 9	Reports attitude of French press towards rupture of negotiations with Germans: hostile allusions to Lord D'Abernon's attitude during London negotiations.	481
456	MR. ROBERTSON Coblentz Tel. No. 23	Mar. 10	Asks for further information on draft scheme of customs measures to be taken in occupied territories: criticizes proposed taking over of entire administration by High Commissioner.	482
457	LORD D'ABERNON London	Mar. 10	Memo. on results of London Conference: concludes that considerable progress made towards agreement and present divergences amenable to reasonable discussion.	482
458	TO H.M. REPRESENTATIVES La Paz Rio de Janeiro Peking Havana Quito Athens Guatemala Monrovia Panama Lima Warsaw Lisbon Bucharest Belgrade Bangkok Prague Montevideo Cairo Circular tel. No. 15	Mar. 11	Informs of sanctions to be applied to Germany: asks for early information of measures to be taken to give effect to sanction requiring proportion of all payments due to Germany on German goods to be paid to Govt. of country receiving the goods and retained on account of reparations.	484
459	TO H.M. REPRESENTATIVES (as under No. 458) Circular tel. No. 16	Mar. 11	Refers to No. 458: summarizes Reparations (Recovery) Bill introduced into House of Commons, March 11.	485
460	MR. ROBERTSON Coblentz Tel. No. 26	Mar. 12	Reports that Maj.-Gen. Allen hopes to be allowed to establish customs posts in U.S. area, all three Allied nationalities being represented: necessary customs officials and accountants expected from Gt. Britain.	486

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
461 MR. ROBERTSON Coblentz	Mar. 14	Letter to Mr. Waterlow explaining his anxiety about effects of sanctions on economic life of Rhineland, his ignorance of H.M.G.'s policy and extent to which he is to go in preventing French from getting full control.	486
462 LORD KILMARNOCK Berlin Tel. No. 105	Mar. 15	Reports that Reichsbank has stopped cashing cheques on London and Paris, other banks following suit: suggests reason for measure and advisability of reassuring German public.	489
463 LORD KILMARNOCK Berlin Tel. No. 104	Mar. 15	German Govt. reported to have no intention of taking first step towards renewal of reparation negotiations.	490
464 FOREIGN OFFICE	Mar. 16	Summary of the various proposals for settlement of reparation question made at Boulogne, Brussels, Paris, and London, June 1920–February 1921.	490
465 MR. ROBERTSON Coblentz Tel. No. 29	Mar. 16	Stresses urgency of receiving more customs officials and reinforcements if French are not to control all customs posts.	493
466 TO SIR R. GRAHAM The Hague No. 178	Mar. 16	Informs of interview between M. van Swinderen, the Dutch Minister, and Sir E. Crowe, on March 14: Dutch Govt. to be assured that there was no intention to re-establish blockade machinery and that fears of military movements in Limburg area following occupation of Duisburg were groundless.	494
467 MR. ROBERTSON Coblentz No. 117	Mar. 16	Outlines difficulties facing High Commission in drafting report containing recommendations on proposed new customs tariff and summarizes suggestions: gives own views on (1) German attitude towards this sanction, (2) French Govt.'s intention, (3) variety of grave issues at stake: requests instructions and immediate reinforcements (cf. No. 465).	495
468 TO MR. ROBERTSON Coblentz Tel. No. 17	Mar. 17	Refers to No. 465: informs no British troops can be sent, possibility of sending customs officials being examined: instructions to tell French colleague H.M.G. cannot admit interference by French authorities in British zone without previous agreement.	497
469 TO LORD KILMARNOCK Berlin Tel. No. 59	Mar. 18	Text of declaration relating to the German Reparations (Recovery) Bill and property of German nationals in British territory.	498
470 SIR A. GEDDES Washington Tel. No. 154	Mar. 18	Reports U.S. Govt.'s desire to help in restoring tranquillity of the world: outlines own plan for suggesting to U.S. Govt. a declaration of solidarity with the Allies. <i>Note 7. F.O. disapproves suggestion.</i>	498

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
471 To LORD HARDINGE Paris Tel. No. 120 SIR G. BUCHANAN Rome Tel. No. 69 SIR G. GRAHAME Brussels Tel. No. 47 SIR C. ELIOT Tokyo Tel. No. 68	Mar. 19	Refers to No. 459: instructs to request Govt. to which accredited to fulfil agreement reached at London Conference to invite Allied Powers, not represented at the conference and entitled to share in reparation payments, to initiate legislation similar to the U.K. Reparations (Recovery) Bill.	499
472 LORD KILMARNOCK Berlin No. 464	Mar. 19	Reports Dr. Stresemann's views on (1) internal German political situation, (2) Polish aggression in Upper Silesia, (3) French militarism, (4) economic position of Gt. Britain.	500
473 LORD KILMARNOCK Berlin No. 468	Mar. 19	Reports (1) German reparation experts' conclusion on Germany's inability to adopt Allied demands of Jan. 29 or German counter-proposals, (2) attitude of Govt. and public opinion towards sanctions. Gives own views on temporary nature of sanctions and Germany's economic problems. Points out dangers to British interests of rumoured Franco-German economic co-operation and French encouragement of separatist movement in S. Germany.	502
474 LORD HARDINGE Paris Tel. No. 157	Mar. 22	Reports meeting of Ambassadors' Conference on Mar. 22: summarizes own statement relating to High Commission's report on Rhineland customs and H.M.G.'s inability to recognize validity of measures until approved by Allied Govts. M. Tirard's explanation of measures taken by French authorities: special meeting arranged for Mar. 25 for discussion of report.	509
475 MR. ROBERTSON Coblentz	Mar. 22	Letter to Mr. Waterlow giving his views on Rhineland customs sanction and Germany's ability to pay.	510
476 SIR E. CROWE Foreign Office	Mar. 23	Memo. on German Govt.'s Note of Mar. 10, 1921, to Council of League of Nations: suggests legal advice be sought: considers impractical Lord R. Cecil's proposal for determination of reparation total by an arbitrator nominated by League.	512
477 To LORD HARDINGE Paris Tel. No. 128	Mar. 23	Informs of inter-departmental discussions on Rhineland High Commission's report: technical advisers to be sent to Coblentz.	513
478 To LORD HARDINGE Paris Tel. No. 129	Mar. 23	Refers to Nos. 474 and 477 and explains why instructions cannot be sent by Mar. 25.	514

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
479 To LORD D'ABERNON Berlin No. 321	Mar. 24	Inform of conversation on Mar. 22 between Sir E. Crowe and German Chargé d'Affaires who enquired about prospects of reparation discussions being reopened.	514
480 MR. THELWALL Berlin	Mar. 24	Memo. on likely attitude of German Govt. and business world towards sanctions imposed Mar. 8: concludes that trade war now exists: Govt., influenced by industrial interests, intends to damage Allied trade and industry and prevent sanctions being effective.	516
481 To LORD HARDINGE Paris Tel. No. 139	Mar. 30	Instructions on attitude to take in Conference of Ambassadors' discussion on Rhineland customs.	519
482 MR. ROBERTSON Coblenz Tel. No. 37	Mar. 30	Reports on personnel required for new Rhineland customs organization: suggests recruitment of special force of British subjects if no reinforcements available: Germans convinced Allies cannot put sanctions into force.	520
483 MR. ROBERTSON Coblenz Tel. No. 38	Mar. 30	Refers to No. 482: comments on report of inter-departmental committee on Rhineland customs (see No. 477): reasons for opposing suggested raising of force of German frontier guards.	521
484 LORD D'ABERNON Berlin Tel. No. 128	Mar. 30	Reports conversation with Herr von Haniel: conditions in disturbed areas improving, reparation in kind being studied, no hope of successfully reopening negotiation at present time.	521
485 LORD HARDINGE Paris Tel. No. 169	Mar. 30	Reports Belgian Ambassador's queries with regard to discussion of Rhineland questions by Ambassadors' Conference: assured of no departure from principles adopted by Allied Conference.	522
486 To LORD HARDINGE Paris Tel. No. 147	Mar. 31	Refers to No. 482: no reinforcements available: instructions not to commit H.M.G. regarding volunteer force.	522
487 LORD D'ABERNON Berlin	Mar. 31	Letter to Lord Curzon concerning German Govt.'s (1) attitude towards sanctions, (2) proposal to substitute itself for England and France in their debt to U.S.: gives own views.	523
488 LORD HARDINGE Paris No. 978	Apr. 2	Transmits copy of a report on customs barrier between Germany and the occupied territories, by technical committee of Ambassadors' Conference.	524
		<i>Annex.</i> British memo. of Mar. 31 on report of High Commission on Rhineland Customs (see No. 474).	525
489 LORD HARDINGE Paris Tel. No. 174	Apr. 2	Tel. from Mr. Robertson referring to No. 486: suggests payment of volunteer force out of customs receipts: emphasizes undesirability of accepting French help: asks whether coastguards or a naval battalion could be sent.	526

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
490	LORD HARDINGE Paris Tel. No. 175	Apr. 2	States that report on Rhineland customs in No. 488 was approved at meeting of Ambassadors' Conference on Apr. 2: assumes date on which new frontier line will take effect will depend on delay necessary in sending out British customs officials.	527
491	MR. ROBERTSON Coblentz Tel. No. 46	Apr. 7	Reports German non-co-operation in establishment of customs line and suggests alternative measures, including almost complete closure of eastern frontier.	528
492	LORD HARDINGE Paris No. 1071	Apr. 8	Reports interview with Belgian Ambassador who had been reassured by M. Berthelot of M. Briand's intention not to take any step against Germany without full and active co-operation of Allies: possible future sanctions: Baron Gaiffier's views on effects of Allied occupation of Ruhr.	528
493	SIR G. GRAHAME Brussels No. 329	Apr. 8	Reports interview with Belgian M.F.A. on Apr. 7: M. Jaspar's anxiety as to French Govt.'s intentions with regard to further sanctions: strength of public opinion in Belgium against Germany: rumoured weakening of German attitude.	529
494	SIR E. CROWE Foreign Office	Apr. 8	Record of conversation with Belgian Ambassador on possible action by French Govt. if German readiness to fulfil peace treaty not proved by May 1: assurance given of H.M.G.'s (1) ignorance of French Govt.'s intentions, (2) policy of acting in conjunction with Allies.	531
495	TO MR. GURNEY Tokyo Tel. No. 79	Apr. 9	Lists Allied Powers which have introduced or have decided to initiate legislation similar to British Reparations (Recovery) Act (see No. 459): trusts similar action will be taken speedily by Japanese Govt.	532
496	TO LORD HARDINGE Paris Tel. No. 165 SIR G. BUCHANAN Rome Tel. No. 121 SIR G. GRAHAME Brussels Tel. No. 50	Apr. 9	Instructions to urge Govt. to which accredited to instruct representatives in Allied countries which have not yet initiated legislation similar to British Reparations (Recovery) Act to do so immediately: H.M. Representatives have been so instructed. <i>Note 2.</i> Position of Czechoslovak and Polish Govts. with regard to reparations.	533
497	TO LORD HARDINGE Paris Tel. No. 166 SIR G. BUCHANAN Rome Tel. No. 123 SIR G. GRAHAME Brussels Tel. No. 52	Apr. 9	Suggestion that French, Italian, Belgian, and British representatives at Rio be instructed to make joint protest to Brazilian Govt. against their reported pro-German attitude towards sanctions.	534

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
498 SIR E. CROWE Foreign Office	Apr. 9	Record of conversation with Italian Ambassador who said German Govt. might make fresh reparation proposals if any advance made by an Allied Govt. and asked for views of H.M.G.: summarizes own reply.	534
499 MR. RUSSELL Berne Tel. No. 33	Apr. 11	Reports information received from Italian Minister of Dr. Simons's attempt to invoke Swiss Govt.'s aid as intermediary in promoting further reparation negotiations between Germany and Allies.	535
500 LORD D'ABERNON Berlin Tel. No. 136	Apr. 11	Asks whether statement should be made regarding article in 'Vossischer Zeitung' about a secret Franco-British agreement.	536
501 SIR G. GRAHAME Brussels	Apr. 11	Letter to Sir E. Crowe relating to (1) M. Viviani's missions to U.S.A., (2) French abolition of 'surtax d'entrepôt' and passport visas for going to France, (3) divergent Belgian attitudes towards military measures against Germany and possible effect of Belgian resistance to them on movements in other countries against French policy.	536
502 EARL CURZON Foreign Office	Apr. 11	Memo. on expected French policy in event of no satisfactory German reparation proposals being received by May 1, and on possible alternative British attitudes.	538
503 SIR E. CROWE Foreign Office	Apr. 11	Record of conversation with German Ambassador who expressed anxiety of dangers threatening Germany on May 1 from declared French Govt. policy: likely reception of fresh German proposals discussed: purpose of German Reparation (Recovery) Act explained.	540
504 LORD HARDINGE Paris Tel. No. 195	Apr. 12	Reports French Govt.'s difficulty in inducing Parliament to accept Bill regarding 50% tax on German imports: M. Briand's undertaking to pool proceeds of tax in common reparation account as from May 1.	541
505 SIR E. CROWE Foreign Office	Apr. 13	Record of conversation with Italian Ambassador on German reparation: Italian Govt.'s reply to Swiss Govt.'s enquiry as to Switzerland being an intermediary for fresh German proposals (cf. No. 499): possible U.S. role: Dr. Giannini's views.	542
506 TO LORD D'ABERNON Berlin Tel. No. 77	Apr. 14	Instructions to give absolute and categorical denial to rumour in No. 500.	543
507 MR. ROBERTSON Coblentz Tel. No. 48	Apr. 14	Reports (1) German Govt.'s instructions to customs officials not to execute High Commission's orders relating to establishment of new customs régime, (2) High Commission's proposal to close Eastern customs frontier to all goods traffic if defections take place on large scale.	544

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		<i>Note 3. Lord Curzon's approval of action in (2) above provided it is a temporary measure.</i>	
508 LORD D'ABERNON Berlin Tel. No. 140	Apr. 14	Summarizes press reports (1) of discussion in German Cabinet of reparations, (2) of need to remodel Cabinet.	544
509 LORD D'ABERNON Berlin Tel. No. 141	Apr. 16	Swiss and Czech. Govts. reported to have declined German request to them to act as intermediaries in reparation negotiations: French Ambassador's suggestions on acceptable counter-proposals.	545
510 LORD D'ABERNON Berlin Tel. No. 142	Apr. 18	Reports conversation on reparation with M.F.A.: no definite plan yet accepted: U.S. Govt. being approached: own suggestions on desirability of German Govt.'s acceptance of Paris resolutions and danger of their presenting a 'cut-and-dried' offer: considers Dr. Simons is meeting strong opposition.	546
511 LORD D'ABERNON Berlin Tel. Unnumbered	Apr. 18	Refers to No. 510: asks for H.M.G.'s views on German Govt.'s acceptance of Paris resolutions, with certain reserves, as promising basis for negotiations.	547
512 MR. ROBERTSON Coblenz No. 159	Apr. 18	Describes totally inadequate preparations made to enforce new customs régime: declines all responsibility for result: complains of lack of authentic information and instructions.	548
513 FRENCH AMBASSADOR London	Apr. 18	Note to Lord Curzon suggesting a personal meeting between him and M. Briand before May 1 to discuss German reparations.	549
		<i>Note 1. Statement of attitude to be taken by Mr. Lloyd George at Anglo-French meeting at Lympe, Apr. 23 and 24, on question of occupation of the Ruhr.</i>	
514 REPARATION COMMISSION	Apr. 18	Copy of note to Kriegslastenkommission demanding that German Govt. transfer to Branch offices of the Reichsbank at Cologne and Coblenz whole of Reichsbank's metallic reserve.	550
515 LORD HARDINGE Paris Tel. No. 212	Apr. 19	Reports suggestion that U.S. Govt. be invited to send representatives to next Supreme Council meeting; gives reasons.	551
516 LORD HARDINGE Paris Tel. No. 213	Apr. 19	Reports on military and economic experts' discussions on exploitation of Ruhr following expected occupation after May 1: urges preparation of counter-proposals and states that need for Allied unity and exchange of views before Conference is being stressed in certain papers.	552
517 LORD D'ABERNON Berlin	Apr. 19	Letter to Sir E. Crowe discussing (1) Dr. Simons's position and possible successors, (2) reparation schemes under consideration, (3) effect of sanctions, (4) Italian Govt.'s attitude towards a reparation settlement.	552

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
518 Mr. WIGRAM Foreign Office	Apr. 19	Memo. on extent to which Germany has executed clauses of Versailles Treaty relating to war criminals, reparation, disarmament.	554
519 To LORD D'ABERNON Berlin Tel. No. 79	Apr. 20	Refers to Nos. 510 and 511: German acceptance of Paris resolutions as basis of discussions the only chance of successful negotiation: unable to comment on reserves.	556
520 LORD D'ABERNON Berlin Tel. No. 146	Apr. 20	Reports decision by Reichstag Committee on Foreign Affairs to abandon negotiations through neutral intermediaries and to approach Allies direct: proposals not yet decided on: general tone of pessimism and resignation.	557
521 Mr. WIGRAM Foreign Office	Apr. 20	Memo. on a report, prepared at time of London Conference but suppressed for political reasons, which considers how Germany could transfer the large sums demanded beyond her own frontiers, and the effect on world trade.	557
522 LORD D'ABERNON Berlin Tel. No. 147	Apr. 21	Reports conversation, on receipt of No. 519, with Dr. Simons who explained difficulties of his position, and his inability to accept Paris decisions: counter-proposals promised.	559
523 Mr. WIGRAM Foreign Office	Apr. 21	Memo. on occupation of the Ruhr: aims and tentative plan: probable effects of occupation.	560
524 LORD D'ABERNON Berlin Tel. No. 151	Apr. 22	Summarizes joint Franco-Belgian Note to German Govt. protesting against refusal of German officials in occupied territory to serve on Rhine frontier: requests instructions.	561
525 LORD HARDINGE Paris Tel. No. 223	Apr. 22	Transmits statement by Mr. McFadyean concerning Reparation Commission's demand to German Govt. for transfer of gold reserve to Reichsbank (see No. 514): copy of letter to be sent to Embassy.	562
526 Mr. RYAN Coblentz Tel. No. 53	Apr. 23	Refers to No. 524: explains Belgian colleague's attitude: suggests no protest to German Govt. needed concerning co-operation of officials in new customs régime.	562
527 SIR C. ELIOT Tokyo Tel. No. 147	Apr. 23	French Ambassador has urged on Japanese M.F.A. importance of Allies' united action in German reparation questions: large number of German agents in Tokyo.	563
528 GERMAN AMBASSADOR London No. A. 1082	Apr. 23	Note informing of German Govt.'s reply to Reparation Commission's demand in No. 514.	563
529 LORD D'ABERNON Berlin No. 625	Apr. 23	Suggests desirability of discussing developments which might arise if America takes part in reparation discussions: asks to be kept informed of H.M.G.'s policy.	564

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		<i>Encl. Memo. on possible transfers of debt between America, the Allies, and Germany (cf. No. 487).</i>	564
530 SIR G. GRAHAME Brussels Tel. No. 82	Apr. 24	Reports conversation with M.F.A. on M. Loucheur's reparation proposals of Apr. 21: dangers of Franco-Belgian partnership and French political designs.	567
531 To SIR G. BUCHANAN Rome Tel. No. 150 SIR G. GRAHAME Brussels Tel. No. 64	Apr. 24	Informs of decision to hold meeting of Allied Conference in London on Apr. 30: instructions to request Govt. to which accredited to send representatives.	568
532 LORD HARDINGE Paris Tel. No. 227	Apr. 24	Reports public reaction to U.S. reply to German request for arbitration in reparation question and to German proposal for reconstruction in devastated regions.	568
533 SIR A. GEDDES Washington Tel. No. 263	Apr. 25	Reports interview with Secretary of State who expressed desire to help Allies exclusively: requests instructions on attitude to take towards German reparation proposals.	569
534 LORD D'ABERNON Berlin Tel. No. 162	Apr. 25	German reparation proposals delivered to U.S. representative, Apr. 24: to be kept confidential for some days: reports rumours as to contents and offer of resignation by M.F.A.	569
535 SIR A. GEDDES Washington Tel. No. 264	Apr. 25	Reports Secretary of State's helpful attitude towards German reparation proposals including suggestion for expert economic commission: public opinion favours strong Govt. action.	570
536 LORD D'ABERNON Berlin Tel. No. 163	Apr. 25	Describes drafting proceedings on 24th which preceded despatch of reparation proposals to U.S. before midnight.	570
537 MR. WIGRAM Foreign Office	Apr. 25	Memo. on draft French proposals (see No. 542) presented at Lympne Conference, Apr. 24.	571
538 To LORD D'ABERNON Berlin Tel. No. 83	Apr. 26	Asks for explanation of certain of the German reparation proposals.	573
539 LORD D'ABERNON Berlin Tel. No. 168	Apr. 27	Transmits M.F.A.'s replies to questions in No. 538 and his appreciation of scheme: in Dr. Simons's view proposals dominated by clause suggesting commission of recognized experts to decide on difficult points, such decisions being accepted by Germany as binding.	574
540 LORD D'ABERNON Berlin Tel. No. 170	Apr. 27	Comments on German counter-proposals: their unsatisfactory features and changes needed to make them acceptable as basis of negotiations: recommends their impartial examination.	575
541 MR. THELWALL Berlin	Apr. 27	Memo. on French Govt.'s proposals at Lympne Conference and their crippling	576

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		effect on Anglo-German trade: alternative recommendations.	
542 MR. WIGRAM Foreign Office	Apr. 27	Summary of French Govt.'s proposals for occupation of the Ruhr and for German reparation payments.	578
543 MR. MCFADYEAN Paris	Apr. 28	Reparation Commission's policy relating to deliveries of reparation coal by Germany: no possibility of reducing demands at present.	579
544 MR. WIGRAM Foreign Office	Apr. 29	Memo. on anomalous position arising from F.O. not being kept in constant touch with Reparation Commission proceedings: suggests instructions which might be issued to Sir J. Bradbury.	581
545 LORD KILMARNOCK Berlin Tel. No. 179	Apr. 29	M. Haguenin's (of Reparations Commission) views on occupation of Ruhr and the only chance of avoiding it.	582
546 MR. WIGRAM Foreign Office	Apr. 30	Refers to No. 544 and gives further example of independent action by Sir J. Bradbury on a question involving political consequences, the fixing by Reparation Commission of scale of annuities for repayment of German debt.	583
547 SIR R. GRAHAM The Hague Tel. No. 53	May 2	Has been informed, by U.S. Minister, of Netherlands Govt.'s request for U.S. Govt.'s intervention to bring about settlement between Allies and Germany and prevent occupation of Ruhr.	584
548 LORD KILMARNOCK Berlin Tel. No. 185	May 2	Reports press statement of Allies' decision to present ultimatum to Germany on reparation question: discusses probable reactions in Germany.	584
549 SIR A. GEDDES Washington Tel. No. 290	May 2	Informs of reasons for U.S. delay in replying to German reparations note (see No. 534): requests instructions on suggestions to make: considers opportunity favourable for general understanding with U.S. Govt.	585
550 TO SIR A. GEDDES Washington Tel. No. 254	May 3	Explains position with regard to keeping U.S. Govt. informed of Allied discussions on Germany: informs of principles on which the declaration to be made to Germany has been drawn up: instructs on statement to make to Secretary of State relating to value of U.S. general acceptance of Allied proposals and of their advice to German Govt. to accept them: similar instructions being sent to colleagues.	586
551 SIR A. GEDDES Washington Tel. No. 293	May 3	Refers to U.S. Govt.'s reply of May 2 to German note: suggests reasons for timing of its despatch: considers Mr. Hughes anxious to co-operate with Allies in reparations, especially since recent discussions on Allied debts.	588

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
552 LORD KILMARNOCK Berlin Tel. No. 190	May 3	Reports conversation with M.F.A.: question of fresh German reparation proposals being submitted to Reichstag but difficulty of knowing on what lines to proceed: Germany prepared to abide by obligations imposed by Treaty of Versailles.	588
553 SIR A. GEDDES Washington Tel. No. 301	May 5	Reports Secretary of State favours U.S. representation at Allied Conferences, on Ambassadors' Conference, and on Reparation: powerful opposing influences in the Senate: gives own view that observers might be suggested and that such a proposal would be cordially agreed to.	589
554 To SIR A. GEDDES Washington Tel. No. 262	May 5	Transmits brief notes for a comparison between recent Allied reparation proposals to Germany and those agreed upon by Allies at Paris in Jan. 1921, and at Boulogne in July 1920.	590
555 FOREIGN OFFICE	May 5	Memo. on matters in which German Govt. have failed to execute Treaty of Versailles: reparation, disarmament, war criminals, and economic clauses.	591
556 FOREIGN OFFICE	May 5	Summary of German reparation proposals of Apr. 26, 1921, and of Allied proposals of May 5, 1921.	593

CHAPTER IV

Military Control of Germany and German Problems other than Reparation

January 1–May 5, 1921

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
557 LORD KILMARNOCK Berlin No. 6	1921 Jan. 1	Reports public attention has again been drawn to alleged reactionary temper of German army, and German Minister of Defence has been subject to constant criticism on the subject. <i>Encl. 1.</i> Extract from article by Dr. Gessler of Dec. 30, in which he attempts to defend himself against criticism. <i>Encl. 2.</i> Extract from Gen. von Seeckt's New Year message to German Army.	596 597 597
558 SIR G. GRAHAME Brussels Tel. Unnumbered	Jan. 1	Discussion with M.F.A. of political situation arising from developments with respect to disarmament of Germany: M.F.A. considers need for firmness in dealing with Germany, but is aware of internal difficulties of German Govt. and inclined to deprecate immediate measures of constraint.	597

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
559 SIR A. GEDDES Washington Tel. No. 4	Jan. 3	Acting Secretary of State has informed French Ambassador that U.S. Govt. considers occupation of Ruhr by French troops would be impolitic, unnecessary, and inexcusable.	598
560 LORD HARDINGE Paris Tel. No. 5	Jan. 3	Reports that in accordance with instructions contained in F.O. despatch No. 4190 of Dec. 31 he has held separate conversations with President of Council and Secretary-General of Foreign Affairs: urged necessity for change of procedure in dealings of Inter-Allied Commission of Control at Berlin with the German Govt.	599
561 To LORD KILMARNOCK Berlin No. 5	Jan. 3	Record of conversation of Dec. 30 with German Ambassador who was assured that (1) H.M.G. had no wish to be too hard on Germany, but deprecated recent incendiary speeches by German Ministers and dilatory promises habitually given by German Govt. in reply to demands of Military Commission, (2) Notes of Military Commission, which contained no political decisions, were issued without reference to Conference of Ambassadors or Allied Govts.	600
562 LORD HARDINGE Paris Tel. No. 6	Jan. 4	Refers to No. 560: Note received from French Govt. (1) agrees in principle with need of procedure for preventing Commissions of Control from raising important political questions, (2) argues that discussion of matter at Conference of Ambassadors might lead to misconstructions, (3) requests H.M.G. to summon Supreme Council immediately to determine further disarmament measures to be taken against Germany.	602
563 MR. SEEDS Munich Tel. No. 1	Jan. 4	Submits observations on Einwohnerwehr: need for threats of coercion from both Berlin and Entente before Bavaria will comply with demand for disarmament.	603
564 SIR G. BUCHANAN Rome Tel. No. 8	Jan. 5	Italian M.F.A. has sent instructions to Ambassador at Paris in sense desired by H.M.G. (see Nos. 560, 561, and 562): considers French fears of German menace somewhat exaggerated.	604
565 LORD CURZON Foreign Office	Jan. 5	Letter to Italian M.F.A. informing that he and P.M. have agreed to attend Supreme Council at Paris (see No. 562) Jan. 19-21 and expressing hope that Italians will give vigorous support to H.M.G.	604
566 MR. ROBERTSON Coblentz No. 7	Jan. 6	Reports (1) change in attitude of local officials towards High Commission, (2) indications that German Govt. are beginning campaign against Allied occupation.	605

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
567	To LORD HARDINGE Paris Tel. No. 11	Jan. 7	Refers to No. 562: instructions to inform French Govt. that H.M.G. will not press for immediate issue of instructions to Control Commissions but will raise question at forthcoming Supreme Council (see No. 565).	606
568	SIR E. CROWE Foreign Office	Jan. 7	Record of conversation with M. de Fleuriau on subject of German disarmament and forthcoming conference at Paris.	606
569	LORD KILMARNOCK Berlin Tel. No. 4	Jan. 8	Reports that in conversation of Jan. 8 Secretary of State for Foreign Affairs (1) expressed fear that misunderstanding had arisen as result of remarks made by M.F.A. and himself to Allied representatives on disarmament question: argument put forward was to effect that Germany would find it difficult to pay reparations if crisis were forced on her, (2) there was little prospect of Bavaria's yielding to pressure of Berlin Govt. in disarmament question.	607
570	LORD HARDINGE Paris	Jan. 9	Letter to Lord Curzon enclosing copy of communication (n. 1) to Marshal Foch in which Colonel Kisch of Military Section of Peace Delegation complains he has been kept in ignorance of H.M.G.'s policy on disarmament.	608
571	LORD KILMARNOCK Berlin Tel. No. 6	Jan. 10	Refers to No. 560: expresses (1) opinion that French are over-optimistic, particularly regarding Einwohnerwehr in Bavaria, (2) belief in German Govt.'s statement in No. 569.	609
572	MR. SEEDS Munich Tel. No. 2	Jan. 11	Reports that despite statement to French Minister that Bavaria will not disarm Einwohnerwehr there is reason to believe Bavarian P.M. would submit to demands, if accompanied by threats, for partial disarmament: expresses agreement with No. 571.	610
573	FOREIGN OFFICE	Jan. 12	Memo. discussing German Govt.'s failure to fulfil disarmament obligations of Versailles Treaty and Spa Protocol, and penalties and measures necessary for enforcing those obligations.	611
574	To LORD HARDINGE Paris Tel. No. 30	Jan. 15	Instructions to inform French Govt. of H.M.G.'s proposal to postpone, in view of political uncertainty in France, the meeting of the Supreme Council to Jan. 24.	618
575	AIR MINISTRY	<i>Received</i> Jan. 17	Memo. leading to conclusion that aerial disarmament of Germany is virtually accomplished.	618
576	To SIR R. GRAHAM The Hague Tel. No. 7	Jan. 20	Informs him that H.M.G. consider burial of ex-Empress and presence of ex-Emperor and Crown Prince at Potsdam undesirable.	620

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
577 MR. WATERLOW Foreign Office	Jan. 20	Memo. on German disarmament: submits (1) time has come to bring pressure on French Govt. to revise Allied policy and avoid method of threats and blows, (2) Paris Conference should consider whether article 213 of Treaty of Versailles will give sufficient security once Control Commissions have been withdrawn.	620
578 SIR R. GRAHAM The Hague Tel. No. 9	Jan. 21	Reports conversation with M.F.A. concerning recent press reports of activities of ex-Crown Prince: comments on position in regard to ex-Emperor and ex-Empress.	621
579 SIR G. GRAHAME Brussels Tel. No. 17	Jan. 21	M.F.A. agrees with No. 576 concerning ex-Emperor and Crown Prince but hesitates to forbid burial of ex-Empress in Germany.	622
580 LORD HARDINGE Paris Tel. No. 46	Jan. 21	Reports that French Govt. agree to H.M.G.'s views (No. 576) and have sent instructions to French Minister to warn Dutch Govt. of their responsibility for safe-keeping of ex-Kaiser and Crown Prince.	623
581 LORD KILMARNOCK Berlin No. 164	Jan. 25	Comments on intelligence notes concerning disarmament in East Prussia and organization of new German police force: considers (1) disarmament of Germany, despite evasions, has accomplished Allied aims in that aggression by Germany is unlikely in near future, (2) it is necessary to allow for genuine desire of Germans to guard against internal and external dangers.	623
582 SIR R. GRAHAM The Hague Tel. No. 10	Jan. 26	Refers to No. 576: reports that M.F.A. while claiming to have no information regarding burial of ex-Empress, expresses agreement with views of H.M.G. adding that (1) German Govt. unlikely to grant permission, (2) ex-Emperor (though not necessarily the ex-Crown Prince) has abandoned all idea of re-entering Germany.	625
583 To SIR G. BUCHANAN Rome No. 81	Jan. 26	Records conversation on Jan. 20 with Italian Ambassador who stated he was hopeful of agreement on reparations and disarmament at Supreme Council: Ambassador was informed that (1) H.M.G. agreed with Italian proposal to withdraw Military Missions from Austria, (2) H.M.G.'s Near Eastern policy was to maintain yet modify the Treaty of Sèvres.	626
584 To LORD KILMARNOCK Berlin Tel. No. 22	Feb. 1	States that H.M. Minister at Hague learns on good authority that burial of ex-Empress will take place at Potsdam: asks whether German Govt. have agreed and taken adequate precautions: adds that it is unlikely Dutch Govt. will permit ex-Emperor and Crown Prince to leave Holland.	628

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
585	LORD KILMARNOCK Berlin Tel. No. 34	Feb. 2	Refers to No. 584: reports German Govt. have given assent and have taken all possible precautions to preclude political demonstrations: no question of ex-Emperor or Crown Prince wishing to be present.	629
586	LORD HARDINGE Paris Tel. No. 73	Feb. 2	Reports that Conference of Ambassadors on Feb. 2 (1) decided to refer to Air Clauses Committee question of machinery for supervising German aeronautical industry after withdrawal of Commission of Control, (2) accepted Legal Advisers' proposal that German Govt. should sell their material in Holland and pay proceeds into reparation account.	629
587	MR. SEEDS Munich Tel. No. 4	Feb. 5	Reports indications that Bavarian P.M. who has left for Berlin will adhere to extreme attitude regarding Einwohnerwehr and insist on rejection of Paris decisions.	630
588	LORD D'ABERNON Berlin No. 264	Feb. 15	Reports that decisions of Paris Conference have unfavourably affected German public opinion towards International Control Commission, especially in Bavaria.	631
589	MR. SARGENT Paris U.K. Peace Delegation	Feb. 16	Letter to Mr. Wigram: asks to be kept informed of decisions regarding following proposals in report on German disarmament: (1) postponement of commencement of manufacture of German civil aircraft, (2) payment by Germany of compensation for illegal destruction of zeppelins, (3) supervision of German aircraft industry on withdrawal of Commission of Control: reports divergence of opinion among British representatives at Chalais Meudon Conference: states that it is inopportune to advocate at Conference of Ambassadors policy relative to supervision agreed between F.O. and Air Ministry. <i>Encl. 1.</i> Minority report of Group-Captain Groves at Chalais Meudon Conference. <i>Encl. 2.</i> Memo. by Air Staff on methods for preventing transformation of German civil aviation into military aviation.	631
590	MR. SMALLBONES Munich Tel. No. 7	Feb. 17	Reports he has been asked to ascertain whether Herr Kahr's inclusion in German delegation to put views on Einwohnerwehr at London Conference would be agreeable: submits that visit should be discouraged. <i>Note 2.</i> F.O. tel. No. 4 of Feb. 21 stating that H.M.G. cannot interfere in composition of German delegation.	634
591	ARMAMENTS SUB-COMMISSION Berlin	Mar. 1	Report commenting on increase, since Paris decisions, of German propaganda against Versailles Treaty and particularly war guilt clause: concludes intention is to deny moral responsibility of Germany for reparation.	636

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
592 Mr. ROBERTSON Coblentz No. 102	Mar. 7	Encloses copy of letter from High Commission to German Commissioner of Mar. 4 concerning failure of German authorities to hand over to French military authorities persons wanted in accordance with article 4 of Rhineland agreement: discusses failure of German Commissioner to co-operate with High Commission in matter and questions advisability of retaining Herr von Starck in his post: states High Commission will advise Allied Govts. to withdraw approval of Herr von Starck's appointment, and to abolish his office should successor prove unsatisfactory.	638
593 Mr. SEEDS Munich Tel. No. 11	Mar. 14	Reports indignation aroused by passing of disarmament law in Reichstag: feeling very strong against Berlin and enforcement of law likely to have serious consequences.	641
594 LORD D'ABERNON Berlin No. 520	Apr. 2	Assesses German Govt.'s action against Communist movement: comments on failure of Communist call for general strike, exaggerated press reports on arms held by Communists and Leuna works as centre of movement.	641
595 Sir E. CROWE Foreign Office	Apr. 6	Record of conversation with German Ambassador who stated that in recent disturbances in industrial centres German Govt. were handicapped in dealing with armed Communists by lack of armed police and that opposition to disarmament in Bavaria arose from fear of Communist rising.	643
596 Mr. SEEDS Munich Tel. No. 14	Apr. 8	Reports that Bavarian P.M. (1) had said that Col. Twiss had suggested that Bavaria should make a proposal concerning Einwohnerwehr, (2) had stated to French and Italian representatives that Communist agitation in Central Germany rendered disarmament impossible. <i>Note 1.</i> Munich tel. of Apr. 6 reporting that Bavarian P.M. had stated in cabinet that, according to a British officer, Mr. Lloyd George favoured Einwohnerwehr as bulwark against Bolsheviks: instructions of Apr. 9 to Mr. Seeds to inform Bavarian Govt. that H.M.G. adhered to Paris Conference decision concerning disarmament of Einwohnerwehr. <i>Note 4.</i> Record of Mr. Tufton's telephone conversation on Apr. 18 with Col. Twiss.	644
597 Mr. SEEDS Munich No. 62	Apr. 9	Reports Central Govt.'s lack of success in imposing disarmament policy on Bavaria: expands report in No. 596 and deprecates interviews of military officers with politicians. <i>Note 4.</i> Record of Mr. Tufton's further telephone conversation on Apr. 20 with Col. Twiss.	645

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
598	LORD HARDINGE Paris Tel. No. 196	Apr. 13	Reports that Conference of Ambassadors on Apr. 13 (1) approved Inter-Allied Military Committee's report concerning civil aviation in Germany and destruction of German fortresses, (2) considered note from Marshal Foch concerning refusal of German Govt. to pay members of Commissions of Control.	647
599	MR. SEEDS Munich No. 67	Apr. 13	Reports statements of P.M. in Landtag on Einwohnerwehr: tone of these suggests Reich can expect no help from Munich in disarmament.	648
600	MR. SEEDS Munich No. 68	Apr. 14	Forwards information on composition and finances of Einwohnerwehr given in Landtag by Secretary of State of Bavarian Ministry of Interior: suggests that in matter of finance Bavarian Govt. have at least one instrument of pressure to hand.	649
601	GENERAL STAFF WAR OFFICE	Apr. 19	Statement showing extent to which Germany has failed to carry out disarmament in respect of (a) army personnel, (b) surplus arms, (c) police force, (d) unauthorized forces and societies, (e) civil population.	650
602	LORD HARDINGE Paris Tel. No. 217	Apr. 20	Reports that Conference of Ambassadors on Apr. 20 decided (1) to order destruction of certain diesel engines for submarines manufactured in Germany, (2) to permit transformation of two gunboats for use of German Govt.'s hydrographic service, (3) to draw attention of German delegation to facts given by Marshal Foch regarding delivering of locomotives to Poland.	652
603	LORD HARDINGE Paris Tel. No. 231	Apr. 27	Reports that Conference of Ambassadors on Apr. 27 rejected proposal of German Govt. to submit to an arbitral tribunal resolutions of Supreme Council concerning definition of excess war material, armaments of fortresses, and list of authorized munition factories.	652
604	MR. BROOKS Foreign Office	Apr. 27	Memo. on fulfilment by Germany of obligations under Parts X and XII of Treaty of Versailles: concludes that of four cases of default dealt with only one, concerning issue by German Govt. of emigration licences for British shipping companies, is of outstanding importance.	653
605	MR. MAX MULLER Warsaw No. 268	Apr. 27	Comments on receipt of communication from German Govt. refusing to deliver required locomotives to Poland (see No. 602) on grounds that they may be used in military measures against Germany: discusses alleged aggressive intentions of Poland and concludes rumours have little foundation in fact, though possibility of Polish military coup in Upper Silesia should not be totally excluded.	655

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NO. AND NAME	DATE	MAIN SUBJECT	PAGE
606 MR. WIGRAM Foreign Office	Apr. 30	Memo. on progress of German military, naval, and aerial disarmament since Paris Conference: calls attention to War Office view that except for disbanding of Einwohnerwehr vital clauses of Treaty have in main been executed: French statement that German Govt. supports Bavarian Govt. in refusal to disband Einwohnerwehr has no foundation in fact.	658
607 INTER-ALLIED COMMISSION OF CONTROL Berlin Tel. No. V. 132	May 2	Tel. to W.O. stating that Gen. Nollet has been instructed to proceed to London: reports on situation regarding disarmament in Germany.	660

CHAPTER V

Reparation by Germany: Economic and Military Sanctions May 6–August 12, 1921

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
608 LORD KILMARNOCK Berlin Tel. No. 199	May 8	Discusses chances of acceptance of Allied ultimatum of May 5: German Govt.'s fear of pretext being found for occupation of Ruhr even if reparation clause accepted: makes suggestion for securing dissolution of Einwohnerwehr in Bavaria.	661
609 MR. GOSLING Frankfort Tel. No. 10	May 9	S. Germany, except Bavaria, favours acceptance of Allied terms: own views on what would be effect on central Govt. of clear indication by Allies of determination to restore order in Upper Silesia.	662
610 SIR A. GEDDES Washington Tel. No. 315	May 9	Reports postponement of presentation to Congress of Senator Knox's peace resolution of April 30 (see No. 470, n. 4) and discusses significance of decision.	663
611 To LORD D'ABERNON Berlin Tel. No. 98	May 10	Points out desirability of (1) German Govt.'s acceptance of Allied terms before any excuse given for military action, (2) despatch of reply to all Allied Govts.	663
612 To LORD D'ABERNON Berlin Tel. No. 99	May 10	H.M.G.'s replies to Dr. Stresemann's queries relating to (1) payments in kind, (2) German Reparations (Recovery) Act, 1921, (3) cancellation of Mar. 8 sanctions if May 5 ultimatum accepted, (4) Silesia: Allied Govts. being informed of H.M.G.'s views.	664
613 To LORD HARDINGE Paris Tel. No. 236 SIR G. BUCHANAN Rome Tel. No. 187 SIR G. GRAHAME Brussels Tel. No. 78	May 10	Instructions to inform Govt. to which accredited of H.M.G.'s replies in No. 612 (1)–(3): expresses hope that Govts. will inform German Govt. of their concurrence.	665

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
•	614 LORD D'ABERNON Berlin Tel. No. 208	May 11	Reports interviews with Dr. Schiffer and Dr. Stresemann relating to May 5 ultimatum, Schedule of Payments and Silesia.	666
	615 LORD D'ABERNON Berlin Tel. No. 209	May 11	Ministry formed, with Dr. Wirth as Chancellor and M.F.A., on basis of acceptance of ultimatum. <i>Note 1.</i> Allied ultimatum accepted in Reichstag on May 11.	666
	616 LORD D'ABERNON Berlin Tel. No. 215	May 11	Comments on Dr. Wirth's ministry: considers some proof of H.M.G.'s goodwill desirable.	667
	617 LORD D'ABERNON Berlin Tel. No. 217	May 12	Requests H.M.G.'s views on suitability of certain Germans who might be given ministerial posts. <i>Note 3.</i> H.M.G.'s reply.	668
	618 LORD HARDINGE Paris Tel. No. 268	May 13	Reports on Conference of Ambassadors' meeting on May 13: (1) Upper Silesia (see No. 58), (2) Reparation Commission's scheme for allocation of monies resulting from sale of military, naval, and aeronautical material and scrap: gives own attitude towards scheme and asks for H.M.G.'s views on further procedure: considers direct discussion between H.M.G. and Reparation Commission desirable: attitude of French and Italian Govts. towards crediting of proceeds of sale of aeronautical material to German reparation account.	668
	619 LORD D'ABERNON Berlin Tel. No. 219	May 14	Reports interview with Dr. Wirth on May 13: German Govt.'s policy towards carrying out of German engagements under May 5 ultimatum and in Upper Silesia.	670
•	620 SIR M. CHEETHAM Paris Tel. No. 279	May 15	Refers to No. 613: French Govt.'s agreement with No. 612 (1), but strong opposition to cancellation of sanctions until proof given of German Govt.'s intention to carry out undertakings: H.M.G.'s independent action regretted.	671
	621 MR. ROBERTSON Coblenz Tel. No. 64	May 17	Refers to No. 620: explains why he considers customs sanction should be withdrawn: gives views on continued occupation of Rhine coal ports.	671
•	622 MR. BROOKS Foreign Office	May 17	Memo. on conditions which Germany should accept prior to abolition of Mar. 8 sanctions.	672
	623 LORD D'ABERNON Berlin Tel. No. 229	May 19	Reports conversation on May 18 with Dr. Wirth who explained (1) delay in completing Govt., (2) policy towards Bavaria, (3) anxiety regarding Upper Silesia: gives own views on problems facing Dr. Wirth.	674

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
624 LORD D'ABERNON Berlin No. 733	May 19	Discusses effect in Germany of acceptance of Allied ultimatum: feeling of confidence and pronounced optimism: suggests reason for Volkspartei's voting against acceptance of ultimatum.	675
625 LORD D'ABERNON Berlin Tel. No. 236	May 21	Refers to H.M.G.'s answer to No. 617: Dr. Wirth's proposed appointment of Dr. Rosen as M.F.A. and further enquiry as to H.M.G.'s views.	677
626 EARL CURZON Foreign Office	May 21	Memo. on Allied sanctions of Mar. 8 and whether or not they should be cancelled following German acceptance of Allied ultimatum.	678
627 LORD D'ABERNON Berlin Tel. No. 251	May 24	Reports interview with Dr. Rosen: German Govt.'s decree penalizing anyone concerned with raising or enlisting free bands and willingness to conform to H.M.G.'s advice regarding Upper Silesia.	680
628 LORD HARDINGE Paris Tel. No. 324	May 26	Reports M. Briand's statement in the Chamber of Deputies, May 25, concerning application of sanctions if Germany failed to carry out obligations of Allied ultimatum: France ready to act alone but not in isolation.	680
629 To LORD HARDINGE Paris Tel. No. 293	May 28	Refers to No. 628: instructions to intimate to M. Briand H.M.G.'s interpretation of application of sanctions: isolated action never contemplated.	681
630 LORD D'ABERNON Berlin Tel. No. 266	May 29	Comments on announcement by German Govt. of completion of payment of £50 million by May 31.	681
631 LORD D'ABERNON Berlin Tel. No. 276	May 31	Reports M.F.A.'s disappointment with M. Briand's statement on May 30 about removal of sanctions, importance to Germany of evacuation of the three Rhineland towns, and M.F.A.'s conviction that Allies would regard payment of the milliard marks as proof of good faith.	682
632 LORD HARDINGE Paris No. 1624	June 1	Reports M. Briand's speech in the Senate on May 30 regarding consequences of isolated action by France in the Ruhr, and impossibility of obtaining from Germany the sums the Allies had theoretical right to demand.	683
633 MR. ROBERTSON Coblentz Tel. No. 72	June 2	Explains urgency for decision on abolition of sanctions, at least of customs sanction.	684
634 MR. ROBERTSON Coblentz Tel. No. 73	June 2	Reports M. Barthou's statements on June 1 relating to French Govt.'s policy in Rhineland, desire not to act independently of Allies, and anxiety to see <i>Entente Cordiale</i> transformed into an alliance. <i>Note 1.</i> Sir E. Crowe's minutes of Feb. 12 and June 14 regarding a possible Anglo-French alliance.	684

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
635	LORD HARDINGE Paris Tel. No. 364	June 3	Refers to No. 633: describes attitude of M. Briand and French press towards abolition of sanctions.	685
636	LORD HARDINGE Paris No. 1671	June 3	Comments on M. Poincaré's conclusion, in article in <i>Revue des Deux Mondes</i> of June 1, that moment has come for fresh Anglo-French understanding: discusses reasons for question of alliance being raised, merits and dangers of such an alliance, and need for clear definition of H.M.G.'s policy towards Germany.	686
637	LORD D'ABERNON Berlin Tel. No. 285	June 4	M.F.A.'s request for Allied or British declaration of favourable impression made by Germany's acceptance of ultimatum and execution of its terms.	689
638	LORD D'ABERNON Berlin No. 810	June 8	Describes German Govt.'s attitude towards Committee of Guarantee established May 27. <i>Encl.</i> Mr. Finlayson's memo. on measures being taken by German Govt. to meet payments to which they are committed.	689 690
639	To LORD D'ABERNON Berlin Tel. No. 154	June 9	Explains position relating to abrogation of Rhineland customs sanctions: possible Belgian initiative.	693
640	SIR G. GRAHAME Brussels No. 537	June 10	Reports interview with M. Jaspar who told him of his recent discussions with M. Briand on (1) increased customs duties on Belgian goods entering France, (2) early meeting of Supreme Council, (3) removal of Rhineland customs barrier: considers M. Jaspar may take initiative in urging abrogation of customs sanction and progressive evacuation of occupied Rhineland towns.	693
641	LORD KILMARNOCK Berlin Tel. No. 308	June 16	Requests immediate instructions as to whether he may inform M.F.A. of H.M.G.'s favourable attitude towards abrogation of Rhineland customs sanction: dangers of fall of German Govt.	695
642	LORD KILMARNOCK Berlin Tel. No. 316	June 17	Summarizes ill effects that would follow fall of Dr. Wirth's cabinet: requests some encouraging declaration before debate on sanctions takes place.	696
643	To LORD HARDINGE Paris Tel. No. 332	June 18	Message for Lord Curzon: refers to Nos. 641 and 642: enquires about possibility of Anglo-French declaration to German Govt.	696
644	To LORD KILMARNOCK Berlin No. 649	June 23	Informs of Lord Curzon's interview with German Ambassador concerning withdrawal of customs sanction: attitude of H.M.G. and French Govt.: advice given to strengthen German case before next Allied Conference.	697
645	LORD KILMARNOCK Berlin Tel. No. 330	June 24	Mr. Leith Ross outlines position of negotiations between Committee of Guarantees and German Govt.: French Govt.'s objec-	698

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		tions to draft report linking demand for German budgetary reforms with recommendation to Allied Govts. to abolish Rhineland customs control: own intentions.	
646 LORD KILMARNOCK Berlin Tel. No. 331	June 24	Refers to No. 645: informal views of Dr. Wirth on proposed report: urges instructions be sent to Mr. Leith Ross to press for inclusion of suggested recommendation. <i>Note 3.</i> H.M.G.'s instructions to Mr. Leith Ross in F.O. tel. No. 164 of June 28 to Berlin.	699
647 TO LORD KILMARNOCK Berlin Tel. No. 165	June 28	H.M.G.'s views on (1) substitutes for the 25% levy, (2) German budgetary reform, (3) abolition of Rhineland customs control.	700
648 LORD D'ABERNON Berlin Tel. No. 336	June 29	Summarizes Committee of Guarantee's work during its two weeks in Berlin: German financial authorities' scheme for issue of German loan free from German taxation.	700
649 LORD HARDINGE Paris Tel. No. 430	June 29	Reports on discussions in Conference of Ambassadors of German Govt.'s attempt to levy certain taxes on capital of Allied nationals.	702
650 LORD D'ABERNON Berlin Tel. No. 340	June 30	Opinion of Committee of Guarantees on economic advantages of suppression of Rhineland customs sanction: each member to report separately to own Govt.	702
651 LORD D'ABERNON Berlin Tel. No. 341	July 1	M.F.A.'s unfavourable impression of M. Briand's attitude towards abrogation of Rhineland customs sanction: informed of H.M.G.'s position as stated in No. 644.	703
652 SIR M. CHEETHAM Paris Tel. No. 457	July 5	Describes indications of a more moderate attitude towards relaxation of Rhineland sanctions. <i>Note 3.</i> Sir M. Cheetham's tel. No. 467 of July 8 giving reasons for disappearance of more moderate attitude.	703
653 LORD D'ABERNON Berlin Tel. No. 353	July 8	Comments on reactions to Dr. Wirth's speech on German financial position on July 6: considers Allied measures essential to enable his Govt. to survive and carry out obligations of ultimatum.	705
654 LORD D'ABERNON Berlin Tel. No. 365A	July 13	Refers to No. 652: summarizes 'general view of an intelligent section of German public' towards withdrawal of sanctions.	705
655 LORD D'ABERNON Berlin Tel. No. 368	July 14	Reports extent to which payment of milliard gold marks by Aug. 31 has been met.	707
656 TO SIR E. CROWE Foreign Office	July 14	Letter from Sir B. Blackett (Treasury) enclosing: (1) Letter of July 14 to Sir E. Crowe relating to conversations between M. Loucheur and Herr von Rathenau concerning German participation in reconstruction of France's devastated areas: suggests action to take, cf. (4) below.	707 708

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		(2) Letter of July 5 from Mr. McFady- yea (Reparation Commission) to Sir B. Blackett reporting conversation with M. Delacroix and M. Bemelmans about Franco-German negotiations on deliveries in kind: French and German attitudes: Mr. McFadyean's personal views.	708
		(3) Letter of July 8 from Sir J. Brad- bury (Reparation Commission) to Sir B. Blackett describing interview with Herr Bergmann on Franco-German negotia- tions: considers proposed deliveries in kind and coal concession to be bad bargains from German point of view: suggests reasons for negotiations and asks for instructions on attitude to take in Reparation Commission debate.	711
		(4) Letter of July 13 from Sir J. Bradbury to Sir B. Blackett concerning the Loucheur-Rathenau negotiations: M. Loucheur's promise to explain desired arrangement to Reparation Commission on July 15: suggests French Govt. be informed through diplomatic channels of dangers to inter-Allied interests of separate agreements on reparation between in- dividual Allied Powers and Germany.	713
657 SIR M. CHEETHAM Paris No. P. 1078	July 16	Note to M. Briand relating to reports of Franco-German discussions as in No. 656, pointing out dangers of separate agree- ments with Germany, and enquiry as to value to be attached to the reports.	715
658 To SIR E. CROWE Foreign Office	July 21	Letter from Sir B. Blackett enclosing: (1) Letter of July 15 from Sir J. Bradbury to Sir B. Blackett reporting M. Loucheur's explanation of Franco-German negotia- tions to Reparation Commission. (2) Letter of July 16 from Sir J. Bradbury to Sir B. Blackett giving further details of discussion in (1): thinks plan unacceptable to H.M.G.	716 716
659 To SIR M. CHEETHAM Paris	July 22	M. Briand's reply to No. 657: describes origin of Franco-German discussions and their explanation to Reparation Com- mission on July 15. <i>Encl.</i> French Govt.'s memo. to Allied Govts. reproducing M. Loucheur's ex- planation to Reparation Commission.	719 721
660 SIR M. CHEETHAM Paris Tel. No. 520	July 24	Reports press summaries and comments on confidential correspondence with French Govt., including Note of July 16 (No. 657).	723
661 LORD D'ABERNON Berlin Tel. No. 393	July 25	Reports conversation with Dr. Rathenau who stated (1) Franco-German negotia- tions not detrimental to England, (2) similar early discussion with English representative desirable.	723

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
662 SIR M. CHEETHAM Paris Tel. No. 525	July 25	M. Berthelot's attitude towards indiscretions in French press (Nos. 247 and 660).	724
663 SIR M. CHEETHAM Paris Tel. No. 564	Aug. 2	Gives reasons for French Govt.'s suggested reference of question of removal of sanctions to Committee of Guarantees, not to Allied Conference.	724
664 To LORD HARDINGE Paris Tel. No. 449	Aug. 3	Informs of conversation with M. Jaspar relating to Belgian representation at forthcoming Allied Conference: Anglo-French proposal.	725
665 To LORD HARDINGE Paris Tel. No. 450	Aug. 3	Refers to proposals for agenda for Allied Conference (Nos. 277, 287, 663): H.M.G.'s suggestions.	726
666 LORD HARDINGE Paris Tel. No. 576	Aug. 5	M. Briand's agreement to inclusion of 'economic sanctions' on Allied conference agenda: his attitude towards question of Commissions of Control.	726
667 LORD HARDINGE Paris Tel. No. 577	Aug. 5	Text of Belgian reply to invitation to Allied conference: intention to abstain from participating until after discussion on Upper Silesian question.	727
668 To LORD HARDINGE Paris Tel. No. 460	Aug. 6	Refers to No. 666: instructions to inform M. Briand of impossibility of discussing economic sanctions apart from military sanctions.	727
669 LORD HARDINGE Paris No. 2257	Aug. 6	Transmits (1) memo. by Sir M. Cheetham on carrying out of H.M.G.'s instructions of July 22 relating to Franco-German negotiations for modification of system of licences in occupied German territory, (2) Note by M. Seydoux explaining French initiation of negotiations before consulting Allies.	728

CHAPTER VI

Reparation by Germany: Removal of Economic Sanctions and the Establishment of an Allied Licensing Committee August 13-December 31, 1921

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
670 THE MARQUESS CURZON OF KEDLESTON Paris Tel. No. 602	Aug. 13	Records Supreme Council's decision to abolish Rhineland customs from Sept. 15 subject to (1) payment in full by Germany of reparations due on Aug. 31, (2) German acceptance of an Inter-Allied licensing organisation, (3) recognition by German Govt. of validity of acts done under customs sanction.	733
671 LORD D'ABERNON Berlin Tel. No. 418	Aug. 16	Reports M.F.A.'s satisfaction with Paris results, despite postponement of Upper Silesia decision, and his views on (1)	734

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NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		situation in Upper Silesia, (2) French condition attached to removal of sanctions, (3) withdrawal of troops of occupation, (4) possibility of early withdrawal of Commissions of Control.	
672 LORD HARDINGE Paris Tel. No. 615	Aug. 17	Reports that, in reply to communication of Aug. 14, requesting full French acceptance of financial agreement, M. Briand states that decision will have to wait for Council of Ministers meeting several days hence.	735
673 LORD D'ABERNON Berlin Tel. No. 422	Aug. 20	Reports there is evidence that policy of carrying out ultimatum is becoming more acceptable to German opinion: summarizes conversation with Dr. Hoetzsch.	736
674 MR. ROBERTSON Coblenz Tel. No. 88	Aug. 22	Requests instructions concerning precise meaning of condition regarding Inter-Allied licensing organization (see No. 670) and asks whether German Govt. must accept condition prior to meeting of committee of experts to propose scope of that organization. <i>Note 3. F.O. minutes of Aug. 23 on this problem.</i>	736
675 MR. ROBERTSON Coblenz Tel. No. 90	Aug. 24	Reports that Cologne Chamber of Commerce voted unanimously against acceptance of Allied decision to abolish Rhineland customs on certain conditions (see No. 670): points out invalidity of arguments on which decision was based: urges strong representations at Berlin to remove misunderstanding of British attitude.	737
676 TO MR. ROBERTSON Coblenz Tel. No. 73	Aug. 25	Refers to No. 674: states that acceptance by Germany in principle of inter-Allied licensing organization is all that is necessary for removal of customs sanction: instructions to advise German Govt. to accept the condition in principle.	738
677 LORD D'ABERNON Berlin Tel. No. 431	Aug. 25	Records conversation with Dr. Rathenau concerning forthcoming reparation negotiations with M. Loucheur: Dr. Rathenau reiterates that any agreement will be subject to ratification by Reparation Commission and expresses hope that analogous arrangements may be concluded with England.	738
678 LORD D'ABERNON Berlin Tel. No. 432	Aug. 25	Refers to No. 675: agrees attitude of Cologne Chamber of Commerce unwise: reports he has spoken to M.F.A. on subject and will make more formal representations on receipt of instructions.	739
679 LORD D'ABERNON Berlin Tel. No. 437	Aug. 28	Reports uproar in Leftist press following Herr Erzberger's assassination: concludes Govt. have lost source of essential inspiration, but their popularity probably enhanced.	740

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
680 LORD HARDINGE Paris No. 2440	Aug. 29	Encloses French Note of Aug. 28 transmitting German reply of Aug. 26 to Supreme Council communication of Aug. 14 stating its decision to remove economic sanctions: comments that French Govt. do not regard Note as unreserved acceptance of Allied decisions: refers to No. 676 and adds there should be full Allied agreement on German acceptance before sanctions are withdrawn. <i>Encl. 1.</i> Note of Aug. 28 from French M.F.A. <i>Encl. 2.</i> Reply of Aug. 26 of German Govt.	741 741 742
681 LORD HARDINGE Paris Tel. No. 659	Aug. 30	Reports Loucheur-Rathenau agreement (see No. 677) generally well received: French public opinion sees advantages of direct negotiation and realizes that much depends on Wirth Govt. remaining in power and putting through financial programme.	744
682 LORD HARDINGE Paris Tel. No. 660	Aug. 30	Refers to No. 680: states Secretary-General suggests German Note should be referred to High Commissioner at Coblenz: requests that, if H.M.G. concur, Mr. Robertson be instructed accordingly.	745
683 MR. ROBERTSON Coblenz Tel. No. 97	Aug. 31	Refers to No. 682: suggests question of German Note is one for Allied Govts.: adds that there is little prospect of settlement before Sept. 15, when sanctions should be abolished: states view that Germans and not (as French propose) Allied officials should have control of licences.	745
684 To LORD HARDINGE Paris Tel. No. 497	Sept. 1	Instructions to inform French Govt. that H.M.G. are anxious to learn whether French Govt. have ratified the Paris agreements of Aug. 13 signed by French Finance Minister.	745
685 To MR. ROBERTSON Coblenz Tel. No. 75	Sept. 1	Refers to No. 683: instructions to accept procedure proposed by the French (see No. 682) and to obtain concurrence of colleagues in recommending acceptance of German Note (see No. 680, <i>Encl. 2</i>) as justifying removal of Customs sanction.	746
686 To MR. ROBERTSON Coblenz Tel. No. 76	Sept. 1	Refers to No. 683: states that assumption that experts cannot meet until German reply (No. 680, <i>Encl. 2</i>) is accepted is not understood: instructions to expedite discussions of Allied experts and German authorities concerning inter-Allied licensing organization to come into existence when Customs sanctions are abolished on Sept. 15.	747
687 MR. ROBERTSON Coblenz Tel. No. 99	Sept. 2	Refers to Nos. 685 and 686: states that French Govt. would seem not to accept H.M.G.'s views but that German Note (No. 680, <i>Encl. 2</i>) must be accepted by	748

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NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		Supreme Council <i>before</i> Allied experts can meet Germans: indicates French proposals for licensing system and dissents from point 4, i.e. that Allied Committee should be under authority of High Commission: requests urgent decisions whether Allied Govts. consider German reply satisfactory and whether agreement on Inter-Allied licensing organization must proceed.	
		<i>Note 3.</i> Minute giving report of conversation with Mr. Wills, British expert at discussions at Coblenz, concerning licensing organization.	
688 LORD HARDINGE Paris Tel. No. 668	Sept. 3	Records visit from French High Commissioner at Coblenz, who expresses hope that H.M.G.'s reply to President of Council's note of Aug. 28 (No. 680, <i>Encl. 1</i>) will adhere strictly to guarantees and terms of Supreme Council decisions: reports his reply that H.M.G. regard German reply as acceptance in principle.	749
689 To LORD HARDINGE Paris Tel. No. 505	Sept. 9	Instructions to inform French Govt. that H.M.G. (1) consider German reply (No. 680, <i>Encl. 2</i>) justifies removal of sanctions on Sept. 15, (2) contest French view that Allied licensing organization should have executive powers: and to request French Govt.'s agreement with H.M.G.'s views, prior to resumption of discussions at Coblenz.	750
690 To MR. PHIPPS Brussels Tel. No. 117 MR. KENNARD Rome Tel. No. 389	Sept. 9	Instructions to communicate to respective Govts., and to express hope of agreement with substance of No. 689.	752
691 H.M. TREASURY	Sept. 9	Record of discussions between Sir R. Horne and M. Doumer concerning recent financial agreements in Paris (see No. 670), particularly Art. I which, according to M. Doumer, unlikely to be accepted by the French parliament: agreement that issue raised should receive further consideration in consultation with other Allies.	753
692 FRENCH AMBASSADOR London	Sept. 10	Repeats French Govt.'s view that German reply (No. 680) is unsatisfactory on all points and that any discussion of it with Germany useless: concludes that economic sanctions should not be lifted until German Govt. accepts unreservedly conditions of Supreme Council.	760
693 FRENCH MINISTRY OF FOREIGN AFFAIRS Paris	Sept. 11	Communication to H.M. Ambassador stating that French Govt. adhere strictly to Allied decision of Aug. 13—particularly concerning licensing organization, and considers that meeting of experts at Coblenz can only commence on receipt	762

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		of fully satisfactory reply from German Govt.: expresses hope that H.M.G. concur.	
694 GERMAN EMBASSY London	[Sept. 12]	Note calling attention to uncertainty concerning proposed licensing organization and stating German view that previous inspection of import licences by Allied authorities would cause economic difficulties: German Govt. anxious to conclude separate trade agreement with France as well as Italy, rather than allow to Control Committee extensive powers likely to hamper German export and import trade.	763
695 To MR. ADDISON Berlin Tel. No. 213	Sept. 13	Suggests text of German reply to replace that given in No. 680, <i>Encl. 2</i> : German Govt. (1) accepts licensing organization and asks for discussion between Allied experts and German authorities at Coblenz, (2) agrees that all acts done under sanctions are legal and valid, (3) agrees Rhineland Commission should assume transition powers, (4) expects necessary steps to be taken for cancellation of customs sanction on Sept. 15.	764
696 To MR. ADDISON Berlin Tel. No. 214	Sept. 13	States that German Ambassador has been urged to press his Govt. to adopt text in No. 695: instructions to reinforce this action.	765
697 MR. ADDISON Berlin Tel. No. 454	Sept. 14	Record of conversation with Secretary of State, who read report of German Ambassador at Paris stating that M. Berthelot considered German reply (see No. 680) unsatisfactory: Secretary of State considers situation serious, and states that German Govt. would be ready to follow any advice given privately by H.M.G.	766
698 MR. WATERLOW Foreign Office	Sept. 14	Record of conversation with French Ambassador and German Chargé d'Affaires: French Ambassador explained why his Govt. demand unequivocal acceptance by German Govt. of Allied demands of Aug. 14: German Chargé d'Affaires requested to press German Govt. to reply on lines of draft in No. 695 (see also No. 696).	767
699 MR. ADDISON Berlin Tel. No. 459	Sept. 15	Refers to No. 696: reports (1) Secretary of State (but not his advisers) ready to accept H.M.G.'s advice, (2) French Chargé d'Affaires has repeated French Govt.'s determination, in view of discrimination against French goods, to ensure strict supervision of German licensing system.	768
700 MR. ADDISON Berlin Tel. No. 461	Sept. 17	Refers to No. 699: German Govt. accepts draft reply (see No. 695) subject to three slight alterations: on request of Chancellor and Cabinet seeks authorization to inform Secretary of State privately	769

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		(1) that procedure of Allied organization does not imply right of veto, (2) that under licensing organization names and places of business of licensees need not necessarily be disclosed: adds that German Note cannot be considered official till these assurances have been given.	
701 Mr. ADDISON Berlin Tel. No. 462	Sept. 19	Refers to No. 700: French Chargé d'Affaires has explained (1) French Govt. do not claim right to veto licences but only competent Allied supervision to prevent discrimination (see No. 699), (2) problem of licensees can be met by systematic submission of duplicate licences: concludes that, although there now seems to be agreement, German Govt. still request verbal assurances from H.M.G.	770
702 To Mr. ADDISON Berlin Tel. No. 216	Sept. 20	Refers to No. 700: states that H.M.G. are unable to give specific assurances since it is for Allied and German experts to discuss these questions of 'modalité': British expert will be instructed to agree to no machinery in excess of the minimum: should German Govt. require assurances they should make direct request to Allied Govts.	771
703 Mr. ADDISON Berlin Tel. No. 463	Sept. 21	Refers to No. 702: statements of H.M.G. satisfy Chancellor: text of German Note to Allied Govts. is being communicated to Paris.	772
704 To LORD D'ABERNON Berlin Tel. No. 217	Sept. 21	Instructions to explain to German Govt. that their delay in following H.M.G.'s advice (see No. 696) may render it difficult for H.M.G. to withhold assent to reply proposed by French Govt. to German Note of Aug. 26 (see No. 680, <i>Encl.</i> 2) and that French Note of Sept. 19 (n. 4) makes clear that views of French Govt. concerning organization are not unreasonable.	772
705 LORD D'ABERNON Berlin	Sept. 24	Record of conversation with Dr. Rathenau who discussed possibility of Anglo-German arrangement analogous to Loucheur-Rathenau agreement (see No. 681) and effects of proposed inclusion of Volkspartei in Wirth Govt.: mentions statement of U.S. Commander at Coblenz, Gen. Allen, that Washington supports British, as opposed to French and Italian attitude: adds that M.F.A. seems confident Wirth Govt. can weather storm.	773
706 To LORD HARDINGE Paris Tel. No. 532	Sept. 25	States that H.M.G. has agreed (see No. 707) to instruct British experts on licensing committee to observe four principles proposed by French Govt.: instructions to urge French Govt., in view of German Note of Sept. 21 (see No. 703), to agree to immediate removal of customs sanction	775

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		and to immediate invitation to Govts. concerned to send licensing experts to Coblenz.	
707 To FRENCH AMBASSADOR London	Sept. 26	States that H.M.G. are in full agreement with four principles proposed by French Govt. (see No. 706), but consider it undesirable that licensing experts should be bound in advance by instructions in any precise form: trusts assurance will be accepted as satisfactory so that sanction may be removed immediately.	776
708 To COL. RYAN Coblenz Tel. No. 86	Sept. 28	States that French Govt. are arranging for cancellation of customs sanction from Sept. 30 and that British expert to discuss licensing organization will be appointed as soon as possible.	777
709 LORD HARDINGE Paris Tel. No. 705	Sept. 29	Reports communication of Sept. 28 received from President of Council, stating (1) H.M.G.'s assurances concerning four principles (see No. 707) have been noted, (2) notification has been made to German Govt. in name of Supreme Council of withdrawal of economic sanctions from Sept. 30, (3) French Govt. share H.M.G.'s view of necessity for expediting meeting of experts at Coblenz.	777
710 MR. WIGRAM Foreign Office	Sept. 29	Memo. on developments in reparation since German acceptance of Allied ultimatum: points out (1) despite indications of German good faith, distrust in her continued capacity to pay reparation increases, (2) possible connexion between French refusal to ratify arrangement of Aug. 13 and Loucheur-Rathenau agreement, (3) Loucheur-Rathenau agreement, being based on German capacity to pay, marks new and important stage in history of reparation.	778
711 LORD D'ABERNON Berlin Tel. No. 469	Sept. 30	Reports discussion of Wiesbaden draft agreement (see No. 681, n. 1) with Dr. Rathenau, who suggests similar agreement with Great Britain: requests instructions.	780
712 To COL. RYAN Coblenz Tel. No. 88	Oct. 6	Instructions to British representatives on licensing organization not to agree to excessive control, nor to arrangements for imposing fresh sanctions, pending reference home.	781
713 To SIR G. GRAHAME Brussels No. 715	Oct. 6	Instructions to inform M.F.A. that H.M.G. is not prepared to make detailed comment on Loucheur-Rathenau agreement until in possession of final text: adds that agreement, since not fully in accord with terms of Versailles Treaty and schedule of payments of May 5, may need modification.	782

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
714 LORD D'ABERNON Berlin Tel. No. 479	Oct. 7	Refers to interviews reported in Nos. 677 and 711: reports his suggestion to Dr. Rathenau that negotiations might start at once: favours policy of levelling up to French advantages accruing under Wiesbaden agreement.	782
715 COL. RYAN Coblentz Tel. No. 116	Oct. 7	Refers to No. 712: reports French have made strong demands, including right of Inter-Allied Committee to exercise suspension and redress, and, in event of German opposition to decisions, of Allied Govts. to instruct representatives to resume control of import and export licensing: states British and American experts do not accept French view and consider there should be no mention of specific sanction in present agreement.	783
716 COL. RYAN Coblentz Tel. No. 117	Oct. 8	Refers to No. 715: French experts have now withdrawn stipulation concerning right to resume control of import and export licensing, but propose instead that Allied Govts. should have right to reimpose sanctions.	784
717 To COL. RYAN Coblentz Tel. No. 89	Oct. 10	Refers to No. 715: H.M.G. considers that to provide in advance for reimposition of sanctions on Germany is inadvisable and that licensing organization should stick to its proper function of preventing discrimination on Germany's part.	784
718 LORD D'ABERNON Berlin Tel. No. 484	Oct. 11	Reports French Ambassador has been visited by Dr. Rathenau, who maintains that Geneva decision (see No. 329) has precipitated grave internal crisis in Germany and must lead to resignation of Cabinet.	784
719 LORD D'ABERNON Berlin Tel. No. 485	Oct. 12	Reports Council of Ministers have decided to postpone resignation until precise text of Geneva decision has been communicated (cf. No. 718).	785
720 To LORD D'ABERNON Berlin Tel. No. 230	Oct. 13	Refers to No. 711: H.M.G. adhere to views in No. 713 but have no objection to making statement to Herr Rathenau provided it is made clear that no useful purpose would be served by his visiting London at the moment.	786
721 To COL. RYAN Coblentz Tel. No. 92	Oct. 14	French Embassy states that provisional agreement concerning licensing commission's instructions has been reached at Coblentz: requests text by telegraph.	786
722 COL. RYAN Coblentz Tel. No. 119	Oct. 15	Refers to No. 721: statement of French Embassy concerning provisional agreement devoid of foundation: agreement on lines desired by H.M.G. will probably soon be reached: text will be sent when approved.	786

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
·	723 LORD D'ABERNON Berlin No. 1256	Oct. 19	Reports that German Govt. is in communication with firms in London, Amsterdam, and New York in order to raise loan of £50 millions sterling to meet reparation demands to Sept. 1922.	787
	724 COL. RYAN Coblentz No. 420	Oct. 19	Refers to No. 722: forwards (1) text of draft agreement (n. 2) on licensing organization, (2) report (see Encl.) drawn up by British members of Committee of Experts: reports that negotiations have been protracted, but believes German Govt. will raise no grave objection.	788
	725 LORD D'ABERNON Berlin Tel. No. 494	Oct. 22	Reports resignation of Wirth Govt. and prevailing depression caused mainly by Geneva decision on Upper Silesia (see No. 718).	794
·	726 LORD D'ABERNON Berlin No. 1270	Oct. 23	Encloses note from Commercial Secretary suggesting that England should forgo part of Reparation claims in return for Germany either giving England portion of her orders for foreign goods or modifying foreign trade control system: expresses certain doubts regarding this proposal and suggests real solution may be in modification of German export arrangements. <i>Encl.</i> Note of Oct. 18 from Mr. Thelwall.	795 796
	727 MR. WIGRAM Foreign Office	Nov. 3	Memo. on reparation position in light of Committee of Guarantees' Report of Oct. 29: discusses difficulties of German Govt. in raising revenue to meet reparation payment due on Jan. 15, 1922: raises question whether Germans should be more heavily taxed to enable them to meet their liabilities: concludes that new effort must be made to modify reparation policy to fit facts.	797
·	728 FRENCH CHARGÉ D'AFFAIRES London	Nov. 8	Forwards Note of Nov. 8, explaining reasons for negotiations leading to conclusion of Wiesbaden agreement. <i>Encl.</i> Note refers to Reparation Commission's decision to submit Wiesbaden Agreement to Allied Govts.: points out that Agreement provides solution to problem of devastated regions and facilitates reparation owed by Germany to France: discusses implication of payments in kind: requests Allied Govts. will give Reparation Commission powers necessary for acceptance of Agreement.	799 799
	729 LORD HARDINGE Paris Tel. No. 863	Nov. 9	Reports that judging from leading article in <i>Temps</i> , Sir John Bradbury's report on Loucheur-Rathenau Agreement is likely to be ill received and may form excuse for fresh outburst of anti-English invective in French press.	804

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	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
730	To LORD HARDINGE Paris No. 2934	Nov. 10	Instructions to transmit to French Govt. copy of Cmd. 1547, relating to Wiesbaden Agreement, and to state (1) that H.M.G. do not desire at present to make further comment on safeguards they will require, (2) that long delay of French Govt. in ratifying Paris agreement of Aug. 13 (see No. 670) is causing H.M.G. some concern, (3) that ratification must precede invitation or discussions directed towards new inter-Allied agreement now proposed.	804
731	LORD HARDINGE Paris Tel. No. 872	Nov. 11	Refers to No. 730: states French Govt. have already made it clear they do not intend to ratify financial agreement of Aug. 13 as it stands, and, since further consultations have not yet taken place, reproaches concerning delay can hardly be made: requests instructions.	805
732	LORD D'ABERNON Berlin No. 1323	Nov. 12	Reports that he expressed to French Ambassador view that German Govt. required time to place finances on stable basis and that public opinion, especially in France, must be convinced of this: that nevertheless he agreed with Ambassador's opinion that Reparation Commission should examine the doubtful returns supplied by German authorities.	806
733	LORD D'ABERNON Berlin Tel. No. 522	Nov. 13	Reports that negotiations are taking place between German Govt. and Reparation Commission concerning Germany's capacity to pay January and February instalments.	807
734	LORD D'ABERNON Berlin Tel. No. 523	Nov. 13	Comments on Sir J. Bradbury's report on Wiesbaden Convention (see No. 729, n. 1): considers H.M.G. should accept agreement subject to certain stipulated safeguards. <i>Note 3.</i> Safeguards proposed in Sir J. Bradbury's report of Oct. 26.	807
735	LORD D'ABERNON Berlin No. 1332	Nov. 16	Encloses memo. on financial position in Germany. <i>Encl.</i> Memo. stating that although German Govt. find great difficulty in raising Jan. and Feb. instalments, no alteration should be made in schedule of payments until Reparation Commission has obtained from German Govt. pledges of serious financial reform.	808 808
736	SIR E. CROWE Foreign Office	Nov. 19	Record of conversation with French Chargé d'Affaires to whom, on his renewing protest against publication of Sir J. Bradbury's report (see No. 729), it was observed that French themselves were not entirely blameless in publishing confidential documents.	810

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
737 To SIR R. HORNE H.M. Treasury	Nov. 19	States that publication by H.M. Treasury without consulting Foreign Office of report on Wiesbaden Agreement (see No. 729, n. 1) has had serious bearing on relations with France (see Nos. 729, 730, 736): requests that more definite arrangements be made for co-operation on reparation questions on which so many political problems hinge. <i>Encl.</i> Memo. giving recent instances of Treasury's failure to consult Foreign Office on reparation questions.	810 812
738 MR. CADOGAN Foreign Office	Nov. 19	Letter to Secretary of H.M. Treasury proposing that joint communication should be made to French Govt. in sense of first two paragraphs of No. 730 and stating that, in view of opinions expressed in No. 731, it is desirable to modify third paragraph of No. 730 and to express hope French Govt. will communicate their proposed changes in Aug. agreement only with proposals for safeguarding Allied interests under the Wiesbaden Agreement: H.M. representatives at Rome and Brussels have been instructed to suspend action on No. 730.	813
739 SIR B. BLACKETT H.M. Treasury	Nov. 21	Refers to No. 738: states that H.M. Treasury hold to their opinion that French acceptance of Agreement of Aug. 13 is essential preliminary to discussion of Wiesbaden Agreement: adds that H.M. Treasury have support of Belgian Finance Minister in contending that French Govt. should put forward proposals for meeting points raised by Reparation Commission with regard to Wiesbaden Agreement.	814
740 LORD D'ABERNON Berlin Tel. No. 527	Nov. 21	Reports that Chancellor has emphasized to Reparation Commission difficulties of German Govt. in obtaining necessary advances for Jan. and Feb. payments and that, despite French opposition, Commission has decided not to make any immediate or severe reply to German Govt. before leaving Berlin.	816
741 SIR B. BLACKETT H.M. Treasury	Nov. 22	Letter to Sir E. Crowe enclosing communication from Sir J. Bradbury on visit of Reparation Commission to Berlin: states view that H.M.G. should give Germany breathing space in reparation payment. <i>Encl.</i> Letter of Nov. 21 from Sir J. Bradbury to Sir B. Blackett, discussing present state of negotiations with Germany on payment of Jan. and Feb. instalments: emphasizes necessity of forcing German industrials to take responsibility and of avoiding drastic action by France in declaring Germany's voluntary default.	817 817

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
742 To COL. RYAN Coblentz No. 200	Nov. 23	Transmits instructions on attitude to be adopted by British delegation on Committee of Experts towards draft Licensing Agreement (see No. 724); requests delegation to press for deletion of certain sections of Article 9 of draft agreement, concerning suggested rationing of occupied territory in exports and imports, as unnecessary and outside Commission's purview.	819
743 To LORD HARDINGE Paris No. 3083	Nov. 23	Refers to No. 731: instructions to inform French Govt. (1) H.M.G. await proposals of French Govt. for meeting points raised by Reparation Commission on Oct. 20 in connexion with Wiesbaden Agreement, (2) H.M.G. view with concern delay of French Govt. in ratifying financial agreement of Aug. 13 and consider such ratification should precede inter-Allied discussion of Wiesbaden Agreement. <i>Note 4.</i> Correspondence requesting Belgian, Italian, and Japanese Govts. to make similar representations.	822
744 MR. WIGRAM Foreign Office	Nov. 25	Memo. on reparation situation: outlines Germany's present foreign currency obligations and resources to meet them: concludes that Allies will shortly have to declare a moratorium and decide on degree of Allied control over German finance.	823
745 LORD HARDINGE Paris Tel. No. 913	Nov. 30	Reports widespread hostility aroused by visits of Herr Stinnes and Dr. Rathenau to London and by rumours of proposed moratorium being granted to Germany.	825
746 SIR E. CROWE Foreign Office	Nov. 30	Letter to Sir B. Blackett referring to No. 741 and proposing close co-operation between Foreign Office and Treasury in obtaining support of Italian and Belgian Govts. for a moratorium when approved by Cabinet. <i>Note 2.</i> Minute of Dec. 1 by Lord Curzon on draft of Treasury tel. to the British representative on the Reparation Commission.	825
747 MR. WATERLOW Foreign Office	Nov. 30	Memo. on question of moratorium with regard to German obligations including Jan. and Feb. payments: urges necessity of entering Supreme Council with firm support of Italy and Belgium against anticipated French opposition: states that Treasury are sending an expert (Mr. Fass) to Rome and Brussels: speculates on necessity of H.M.G. to withdraw or threaten to withdraw from Reparation Commission. <i>Note 2.</i> Chancellor of Exchequer's memo. for Cabinet. <i>Note 7.</i> Minute of Nov. 30 by Sir E. Crowe on necessity of maintaining the Entente with France.	826

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
748 LORD HARDINGE Paris Tel. No. 917	Dec. 1	Refers to No. 745: reports that press campaign against alleged Anglo-German negotiations is increasing in violence.	828
749 MR. FASS Brussels	Dec. 2	Record of interview with Belgian Ministers on question of moratorium (see No. 747): reports violent Belgian objections to proposals, despite desire to avoid use of force against Germany: M. Jaspar promises to give Belgian ideas on situation the following day.	829
750 LORD HARDINGE Paris Tel. Unnumbered	Dec. 3	Reports conversation with M. Briand discussing nature of Dr. Rathenau's visit to London (see No. 745): M. Briand states he approves in principle of conversations analogous to those at Wiesbaden.	833
751 MR. FASS Brussels	Dec. 3	Reports continuation of discussion with Belgian Ministers (see No. 749) concerning (1) possibility of Germany's raising short-dated loan and obtaining exchange belonging to German nationals, (2) cost of armies of occupation, (3) consequences of German default: concludes Belgian attitude has hardened despite H.M.G.'s assurances of maintenance of Schedule of Payments and Belgian priority. <i>Note 4.</i> Commission to consider cost of armies of occupation.	833
752 To LORD HARDINGE Paris Tel. No. 701	Dec. 5	States that H.M.G. favour preliminary discussion with M. Loucheur in London on reparation question and instructions to promote a visit on M. Loucheur's 'personal initiative'.	838
753 MR. FASS Rome	Dec. 7	Reports that in discussion with Italian Ministers he emphasized that H.M.G. in their anxiety to avert German financial crash and use of forcible measures while suggesting a moratorium were prepared to consider other proposals.	838
754 MR. FASS Rome	Dec. 8	Reports that he explained H.M.G.'s views (see No. 753) to Italian P.M.: concludes that, while Italy would like to drive bargains, her fear of France in event of dissolution of Germany will probably secure her support for British proposals.	841
755 MR. FASS Rome	Dec. 9	Reports continuation of interviews (see Nos. 749, 751, 753) with Italian Ministers: Italian Govt. accept British proposals as basis for discussion, subject to certain conditions. <i>Encl.</i> Written statement of Italian Govt. specifying nine conditions.	843 845
756 To FRENCH CHARGÉ D'AFFAIRES London	Dec. 9	Reiterates H.M.G.'s opinion that settlement of August financial agreement is essential preliminary to discussion of Wiesbaden Agreement.	846

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757	SIR A. GEDDES Washington Tel. No. 798	Dec. 10	Reports that Herr Bergmann, on visit to U.S., has made tentative agreement with M. Briand regarding reparation payments.	848
758	SIR R. GRAHAM Rome Tel. No. 508	Dec. 14	States that M.F.A. expresses general uneasiness over report of forthcoming conference between Mr. Lloyd George and M. Briand on reparation questions and feels Italy should be represented: although M.F.A. personally realizes Italy is being fully consulted, he fears he will be attacked both in chamber and in press.	848
759	LORD KILMARNOCK Coblentz No. 475	Dec. 14	Comments on No. 742: points out that interpretation of 'disarmament' differs from that which hitherto guided Committee of Experts and discusses grounds on which Committee included certain sections of Art. 9 of draft agreement.	849
760	SIR R. GRAHAM Rome Tel. No. 509	Dec. 15	Refers to No. 758: states Italian Cabinet are divided over extent of support to be given to H.M.G.'s proposals, as put forward by Mr. Fass (see Nos. 753-5): fears that Anglo-French conversations may leave Italy in the cold.	851
761	GERMAN AMBASSADOR London	Dec. 15	Forwards text of Note handed by German Govt. to Berlin representative of Reparation Commission, stating that German Govt. are unable to meet instalments due on Jan. 15 and Feb. 15 and asking for respite: requests support of H.M.G.	851
762	MR. ADDISON Berlin Tel. No. 542	Dec. 16	Reports discussion of German Note (see No. 761) with Secretary of State and gives gist of Dr. Wirth's confidential statement to German press representatives on subject.	852
763	SIR M. CHEETHAM Paris Tel. No. 959	Dec. 16	Reports quiet reception of German Note (see No. 761) and general equanimity of public opinion, though idea of moratorium for Germany is almost universally condemned.	853
764	TO SIR R. GRAHAM Rome Tel. No. 517	Dec. 19	Refers to No. 760: instructions to assure Italian Govt. that London conversations (see No. 758) do not imply any action or decision prejudicial to Italian interests.	854
765	TO LORD HARDINGE Paris Tel. No. 732	Dec. 26	Instructions to obtain French Govt's. views on nature, scope, and duration of forthcoming Supreme Council meeting: Foreign Office had understood original intention was that meeting would be limited to subject of reparations. <i>Note 1.</i> Minutes and records of discussions concerning forthcoming conference.	854
766	LORD D'ABERNON Berlin No. 1439	Dec. 26	Forwards memo. on supposed effects of German reparation on trade and exchange pointing out fallacies in theory that (a) Germany can pay reparation only through increased export which is fatal to	855

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		English industry, (b) reparation the main cause of low level of German exchange.	
767 MR. WIGRAM Foreign Office	Dec. 28	Summary reviewing reparation question since London agreement of May 5 and showing main issues (acceptance of August agreement, Wiesbaden agreement, costs of occupation, limitations of German cash payments) which will confront Supreme Council at Cannes. <i>Note 10.</i> Decision to hold meeting of Supreme Council at Cannes on Jan. 6, 1922.	857
768 MARQUESS CURZON OF KEDLESTON Foreign Office	Dec. 28	Memo. on proposals for a defensive alliance between Great Britain and France: reviews advantages and disadvantages of such an alliance and concludes that the French proposals could only be accepted by H.M.G. subject to very considerable change of attitude upon the part of France and after much discussion.	860
769 SIR G. GRAHAME Brussels Tel. No. 204	Dec. 29	Reports Cabinet Council have decided that P.M. and M.F.A. shall go to Cannes (see No. 767).	870
770 SIR R. GRAHAM Rome Tel. No. 518	Dec. 29	Refers to No. 760: reports that P.M. gave assurance that Italian Govt. would support H.M.G.'s policy at Cannes.	870

CHAPTER VII

Military Control of Germany and German Problems other than Reparation May 6-December 31, 1921

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
771 LORD KILMARNOCK Berlin Tel. No. 200	May 8	Refers to No. 608: states that further difficulty in way of German acceptance of Allied demands is question of surrender of fortress guns at Königsberg, due to fear of Polish attack: suggests possible solution.	871
772 LORD KILMARNOCK Berlin Tel. No. 203	May 9	Refers to No. 608: reports Bavarian Govt. anxious to meet Allied demands on disarmament, subject to certain assurances.	871
773 MR. PIGGOTT Inter-Allied Rhineland High Commission Cologne	May 12	Letter to Mr. Robertson (Coblenz) reporting conversation with Dr. Adenauer on May 11: summarizes conditions attached by latter to acceptance of Chancellorship and his views on Germany's need for a strong government to convince world of her intention to fulfil Peace Treaty obligations to limits of her capacity.	872
774 INTER-ALLIED MILITARY COMMISSION OF CONTROL Berlin	May 12	Communication to German Director of Foreign Affairs, informing of disarmament decisions taken in connexion with execution of the ultimatum of May 5.	873

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775	SIR M. CHEETHAM Paris Tel. No. 297	May 20	Reports Conference of Ambassadors' discussions, on May 20, on (1) abandoned German submarine dock, (2) future of Inter-Allied Aeronautical Commission of Control, (3) payment by Germany of compensation for zeppelins destroyed in 1919, (4) gas-masks for German army, (5) range-finders for meteorological institutions, (6) sale of military pontoons, (7) exaction by British subjects of German war taxes on capital in violation of Versailles treaty.	876
776	TO LORD D'ABERNON Berlin Tel. No. 115	May 20	Instructions to enquire as to press reports that British representative on Control Commission has joined in note to German Govt. dealing with alleged recruiting of volunteers for Silesia and disbandment of certain detachments without reference to H.M.G.: requests copy of note, together with any similar communications.	878
777	LORD D'ABERNON Berlin Tel. No. 235	May 20	Reports German Govt.'s agreement to carry out decisions in No. 774 as far as possible before the dates fixed.	879
778	MR. SEEDS Munich No. 94	May 20	Minister of Agriculture considers Einwohnerwehr might go into voluntary liquidation: states own opinion on impossibility of its total disarmament.	879
779	LORD D'ABERNON Berlin Tel. No. 238	May 22	Reports action taken on No. 776 and Gen. Bingham's explanation.	880
780	LORD D'ABERNON Berlin Tel. No. 244	May 24	Refers to No. 100: answer from German Govt. due on May 31 being negotiated between Central and Bavarian Govts.: urges necessity of convincing latter that immediate compliance with regard to disarmament is imperative.	881
781	LORD D'ABERNON Berlin Tel. No. 252	May 25	Transmits summary of document on present position in Bavaria received through Baron Stockhammern, late Under-Secretary of State for Finance: considers Bavarian Govt. about to give way on arms and Einwohnerwehr and that message from H.M.G. would expedite decision.	881
782	MR. SEEDS Munich Tel. No. 19	May 25	Refers to No. 780: suggests joint representations should be made to Bavarian P.M. on Allied demands on disarmament.	882
783	MR. SEEDS Munich Tel. No. 20	May 25	Reports interview with P.M., who assured him of Bavarian Govt.'s determination (1) to comply with Allied demands as to dissolution of Einwohnerwehr, (2) to discourage volunteers from joining German irregular forces in Upper Silesia.	882
784	LORD HARDINGE Paris Tel. No. 318	May 25	Reports Conference of Ambassadors' meeting on May 25 at which it was decided (1) to refuse German demands for anti-tank guns, (2) to approve naval advisers' report regarding employment of German submarine diesel engines for commercial purposes.	883

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
785 MR. ROBERTSON Coblentz No. 207	May 25	Comments on press report of decision to send four British battalions from Cologne area to Silesia: considers move will seriously affect British prestige with local population: emphasizes unpopularity of French in the Rhineland. <i>Note 3.</i> F.O. tel. No. 51 of May 26 informing Mr. Robertson of proposed substitution at Cologne of French troops, under British command, for four British battalions being sent to Silesia and apologizing for delay in telling him of the Cabinet decision.	884
786 LORD D'ABERNON Berlin No. 759	May 25	Forwards three enclosures as listed below: expresses surprise and satisfaction at German Govt.'s acceptance of Allied demand for 'surveillance constante' of German aviation after disappearance of Aeronautical Commission. <i>Encl. 1.</i> Allied aeronautical decisions attached to May 5 ultimatum. <i>Encl. 2.</i> Letter of May 17 from German Govt. to Gen. Masterman, setting out measures taken or to be taken to execute decisions in <i>Encl. 1.</i> <i>Encl. 3.</i> Memo. by Wing-Commander Smyth-Pigott on decisions in <i>Encl. 1</i> and present state of their execution.	885 885 886 886
787 SIR E. CROWE Foreign Office	May 26	Record of conversation with German Ambassador on subject of surrender of certain aeronautical material to Allied Commission of Control and possibility of German repurchase of material rather than its destruction by Commission.	887
788 LORD D'ABERNON Berlin Tel. No. 262	May 28	Chancellor has been informed of extent to which Orgesch organization in Bavaria is prepared to surrender arms, on receipt of assurance from H.M.G. that 'small odds and ends of non-execution' will not be considered justification for imposing sanctions.	888
789 MR. SEEDS Munich Tel. Unnumbered	May 28	Refers to No. 783: attitude of French Minister towards Bavarian Govt.'s disarmament proposals as described to him by P.M.	888
790 MR. SEEDS Munich Tel. No. 22	May 28	Reports conversation with P.M., who repeated proposals made to French Minister in No. 789: own criticism of their inadequacy, and insistence on dissolution of Einwohnerwehr.	889
791 LORD D'ABERNON Berlin Tel. No. 268	May 29	Reports Chancellor anxious H.M.G. should categorically inform Bavarian Govt. that no concession will be made regarding Einwohnerwehr: suggests Bavarians intriguing between different Entente Powers to get concessions.	890

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792	TO MR. SEEDS Munich Tel. No. 11	May 31	Refers to No. 790: instructions to inform Bavarian Govt. that they must meet obligations in full to avoid automatic application of sanctions.	890
793	LORD D'ABERNON Berlin Tel. No. 277	May 31	Transmits copy of German Govt.'s reply of May 30 to No. 774: reports M.F.A.'s comments on Prussian and Bavarian Govts.' observations on German Govt.'s stated intention to dissolve Orgesch organization, E. Prussian defences, and Einwohnerwehr.	891
794	LORD D'ABERNON Berlin Tel. No. 278	May 31	Transmits paragraph regarding Orgesch omitted from official German reply (No. 793).	892
795	MR. SEEDS Munich Tel. No. 25	June 1	<p>Informs of action taken in compliance with No. 792: French Minister has made similar statement to P.M.</p> <p><i>Note 3. Action by Italian Minister.</i></p>	893
796	MR. SEEDS Munich Tel. No. 26	June 7	Reports Einwohnerwehr has been ordered by Bavarian Commissioner of Disarmament to surrender certain arms: no mention made of Allied demand for surrender of two-thirds of rifles by June 10.	893
797	TO LORD D'ABERNON Berlin Tel. No. 151	June 7	<p>Informs of H.M.G.'s decision not to comply with French Govt.'s request that German Govt. be told that Allied Govts. have decided not to approve further appointment of German Commissioner in Rhineland: instructions to act with colleagues in pressing for fugitives from justice to be given up.</p>	894
798	LORD D'ABERNON Berlin Tel. No. 295	June 8	Summarizes recent correspondence between Inter-Allied Military Control Commission and Ministry of Foreign Affairs on German Govt.'s intention to dissolve all self-protection organizations.	894
799	LORD HARDINGE Paris Tel. No. 366	June 8	Discussion of Conference of Ambassadors on June 8 of Allied Military Committee of Versailles' report on control of manufacture of German civil aircraft: decision to refer this question and rules 8 and 9 in the report's definition of distinction between civil and military aircraft (cf. No. 804) back to Supreme Council.	895
800	MR. ROBERTSON Coblentz Tel. No. 74	June 9	Refers to No. 797: gives reasons why office of German Commissioner should be maintained and enquires whether H.M.G. have any objection to Prince Hatzfeldt as candidate.	897
801	MR. ROBERTSON Coblentz Tel. No. 75	June 10	Refers to No. 800: expresses disagreement with French Govt.'s alleged point of view: suggests possible procedure.	897
802	LORD D'ABERNON Berlin Tel. No. 298	June 11	Reports conversation with M.F.A. on (1) Anglo-German relations, (2) disarmament, (3) parliamentary weakness of German Govt.	898

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803 LORD HARDINGE Paris Tel. No. 376	June 15	Conference of Ambassadors' discussion on June 15 of Allied Military Committee of Versailles' proposals regarding disposal of aeronautical material manufactured in Germany in violation of May 5 ultimatum.	899
804 MR. BROOKS Foreign Office	June 18	Memo. on aeronautical supervision in Germany and Allied definitions of civil and military aircraft. <i>Encl.</i> Suggested regulations for distinguishing civil from military machines.	899 901
805 FRENCH AMBASSADOR London	June 19	Note outlining discussions on permanent supervision of German aviation since Jan. 29; importance of question from point of view of French security.	902
806 INTER-ALLIED MILITARY COMMISSION OF CONTROL Berlin	June 20	Memo. by Brig.-Gen. J. M. Morgan on possibilities of a military revival in Germany and means of frustrating it.	905
807 LORD KILMARNOCK Berlin Tel. No. 328	June 23	Reports conversation with Dr. Rathenau who told him of satisfactory progress in Bavarian disarmament and emphasized vital importance to Germany of favourable solution of Upper Silesian question.	915
808 LORD HARDINGE Paris Tel. No. 430	June 29	Conference of Ambassadors' rejection on June 29 of further German protest against allocation of Eupen-Malmédy railway to Belgium.	915
809 MR. SEEDS Munich No. 124	June 30	Discusses significance of German Govt.'s proclamation of June 24 dissolving Einwohnerwehr and extent of disarmament achieved: refers to No. 778 and urges no further pressure on Bavaria.	916
810 LORD HARDINGE Paris Tel. No. 462	July 6	Reports Conference of Ambassadors' discussions July 6 on (1) appointment of new German Commissioner in Rhineland (cf. No. 797), (2) surrender by the 'Deutsche Werke' of raw material and machinery, (3) signature of protocol regulating cession of certain aeronautical installations to be handed over to German Govt. for use of civil aviation.	918
811 LORD D'ABERNON Berlin Tel. No. 363	July 12	Reports Military Control Commission's satisfaction with disarmament results in Bavaria and E. Prussia: not satisfactory in Silesia.	920
812 TO SIR M. CHEETHAM Paris No. 1990	July 20	Informs of conditions suggested by French representative on Rhineland Commission for acceptance by German Govt. in return for recognition of Prince Hatzfeldt as German Commissioner: instructs on attitude to take if proposals put forward by French Govt. at Conference of Ambassadors.	920

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
813 SIR M. CHEETHAM Paris Tel. No. 504	July 20	Reports consideration by Conference of Ambassadors of approval of German Commissioner for the Rhineland and own attitude: asks for instructions (cf. No. 812).	921
814 MR. ROBERTSON Coblenz Tel. No. 81	July 22	Comments on draft note to German Govt. relating to appointment of German Commissioner for Rhineland (cf. No. 813).	922
815 MARQUESS CURZON OF KEDLESTON Foreign Office	July 27	Memo. on supervision of German military activities after dissolution of Inter-Allied Commissions of Control. <i>Annex I.</i> Lord D'Abernon's despatch No. 789 of June 8 to F.O. explaining his preference for an international, rather than national, supervisory body and urging need for rapid action. <i>Annex II.</i> Lord D'Abernon's despatch No. 817 of June 10 to F.O. enclosing memo. on probable attitude of German political parties towards future control over German military preparations. <i>Annex III.</i> Letter of July 13 from W.O. to F.O. recommending control and investigation by commission of Allied officers: suggests composition and procedure. <i>Annex IV.</i> Letter of July 14 from Air Ministry to F.O. recommending investigation by Allied officers appointed for the particular occasion, not a standing Commission of Control. <i>Annex V.</i> Letter of July 19 from Admiralty to F.O. expressing own view of Allied Powers' responsibility for preventing breach of disarmament clauses.	922 924 926 927 928 930
816 SIR M. CHEETHAM Paris Tel. No. 542	July 27	Reports discussion by Conference of Ambassadors on July 27 of draft note to German Govt. (cf. Nos. 812-14): note being delivered that day.	931
817 TO MR. PHIPPS Brussels Tel. No. 108	July 29	Instructions to urge Belgian Govt. to discourage Belgian shipping lines accepting German emigration licences independently of common Allied decision.	931
818 LORD HARDINGE Paris Tel. No. 553	July 30	Reports Conference of Ambassadors' discussion on July 30 on U.S. proposal for German construction of a military zeppelin for U.S. in compensation for zeppelins destroyed 1919: arguments against proposal.	932
819 LORD D'ABERNON Berlin No. 987	Aug. 1	Reports satisfactory surrender of arms in E. Prussia and Bavaria: for extent of disarmament in Silesia necessary to await Plebiscite Commission's report.	932
820 MR. ROBERTSON Coblenz Tel. No. 83	Aug. 3	Suggests consideration by Supreme Council of strength of Allied Rhineland forces of occupation: advantages of reducing numbers.	933

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
821	LORD HARDINGE Paris Tel. No. 584	Aug. 9	Requests instructions on attitude to take at Conference of Ambassadors on U.S. suggestion in No. 818 for military zeppelin.	934
822	LORD D'ABERNON Berlin No. 1034	Aug. 11	British officers of Military Commission of Control report improved relations with German officers since Govt.'s acceptance of ultimatum: French officers not so satisfied.	934
823	SIR M. CHEETHAM Paris Tel. No. 614	Aug. 17	Reports Conference of Ambassadors' discussions and rejection on Aug. 17 of U.S. proposal for German construction of zeppelin (No. 818); requests instructions on new U.S. request for construction of a dirigible airship.	935
824	TO LORD D'ABERNON Berlin No. 841	Aug. 22	Instructions to point out to M.F.A. necessity of preventing subordinate officials obstructing execution of May 5 ultimatum.	936
825	MR. ADDISON Berlin No. 1110	Sept. 3	Discusses Bavarian Govt.'s recent conciliatory attitude and reasons why reparation from Reich not expedient.	937
826	U.S. AMBASSADOR London	Sept. 22	Note explaining U.S. Govt.'s request for smaller airship (see No. 823) as reparation in kind from Germany: requests H.M.G.'s support of claim at Conference of Ambassadors.	938
827	LORD D'ABERNON Berlin No. 1184.	Sept. 30	Transmits memo. on the main changes in conditions in Germany during the last twelve months.	940
828	TO SIR M. CHEETHAM Paris Tel. No. 554	Oct. 4	Refers to No. 823: instructs to maintain attitude to U.S. request in accordance with No. 829, copy of which being sent to him.	948
829	TO U.S. AMBASSADOR London	Oct. 4	Note in reply to No. 826 explaining position with regard to airships as reparation in kind and obstacles in way of German construction of a military airship: expresses hope that U.S. Govt. will not persist in claim.	948
830	SIR M. CHEETHAM Paris Tel. No. 731	Oct. 8	Reports Conference of Ambassadors' decisions on Oct. 8 relating to (1) destruction by German Govt. of diesel engines constructed for use in submarines, (2) obstructions placed in way of Inter-Allied Naval Commission of Control by German Govt.	950
831	SIR M. CHEETHAM Paris Tel. No. 732	Oct. 8	Reports Conference of Ambassadors' discussion on Oct. 8 of renewed U.S. request for German airship (see No. 828): Italian and French delegates' support for Italian suggestion that airship be presented to America, leaving out of account all juridical and technical aspects: Japanese delegate to refer question to Tokyo: requests fresh instructions.	951

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
832 To SIR A. GEDDES Washington Tel. No. 606	Oct. 12	Outlines position with regard to U.S. claim for German airship (cf. Nos. 818, 823, 829, 831): instructs to explain H.M.G.'s policy to Secretary of State pointing out effect of meeting U.S. request on German aerial disarmament and possible similar claims by other countries.	952
833 SIR A. GEDDES Washington Tel. No. 673	Oct. 17	Reports conversation with Secretary of State in accordance with No. 832: U.S. Govt. intend to persist in their request, see no reason why Japan should not claim similar compensation, favour withdrawal of Aeronautical Commission of Control at end of year, consider U.S. naval officers would supervise building of airship.	954
834 SIR M. CHEETHAM Paris Tel. No. 763	Oct. 17	Has been informed by Japanese Ambassador of his suggestion to Tokyo that U.S. request for German airship be referred to forthcoming Washington Conference on Limitation of Armaments.	954
835 To LORD HARDINGE Paris No. 2796	Oct. 29	Instructions to bring question of re-organization of military and aeronautical controls in Germany before Conference of Ambassadors in accordance with suggestions in enclosed memo.	954
		<i>Encl. 1.</i> F.O. memo. of Oct. 27 on future of Inter-Allied Commissions of Control in Germany.	955
		<i>Encl. 2.</i> Letter of Oct. 20 from W.O. to F.O. commenting on <i>Encl. 1.</i>	960
		<i>Encl. 3.</i> Letter of Oct. 20 from Admiralty to F.O. commenting on <i>Encl. 1.</i>	961
		<i>Encl. 4.</i> Undated letter from Air Ministry to F.O. commenting on <i>Encl. 1.</i>	962
836 GENERAL STAFF War Office	Nov. 1	Memo. on (1) progress of disarmament in Germany in execution of Treaty of Versailles and demands of Inter-Allied Military Commission of Control, (2) reduction of this Commission of Control and schemes for future organs of control in Germany.	962
		<i>App. I.</i> Tables showing surrender and destruction of war material.	978
		<i>App. II.</i> Tables of comparative strengths of the German army in 1914, 1918, and 1921.	980
837 LORD D'ABERNON Berlin No. 1308	Nov. 6	Refers to No. 835 and encloses memo. drawing attention (1) to change in balance of military power in Europe since 1914, (2) to fact that any future danger from Germany proceeds less from rearmament on the old lines than from possible discovery of some new means of attack.	981
838 LORD HARDINGE Paris No. 3140	Nov. 15	Acknowledges No. 835: asks for further instructions on (1) H.M.G.'s attitude towards rules 8 and 9 for distinguishing between military and civil aircraft (cf.	982

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		Nos. 799 and 804), (2) whether or not consent of German Govt. is necessary for setting up of new control organization: French Govt. consider it unnecessary as far as aeronautical control concerned. Refers to No. 835, <i>Encl.</i> 1, and suggests verbal amendment in para. 8.	
839 LORD D'ABERNON Berlin Tel. No. 525	Nov. 17	Refers to Nos. 840 and 837: gives own views on value of German reassuring statement on disarmament.	984
840 LORD D'ABERNON Berlin Tel. No. 524	Nov. 17	Reports alleged request by U.S. Chargé d'Affaires for his Govt.'s authorization to discuss with leading circles desirability of a German declaration promising to assist in general land disarmament and professing co-operation in objects of Washington Conference.	984
841 LORD D'ABERNON Berlin Tel. No. 532	Nov. 24	Reports message received from Prince Rupprecht of Bavaria on optimistic outlook for monarchical movement especially in Bavaria: has initiated further immediate enquiry.	985
842 To LORD HARDINGE Paris No. 3129	Nov. 28	Refers to No. 838: (1) explains why objections to rules 8 and 9 can now be waived, (2) refers to No. 835, <i>Encl.</i> 1, and instructs to refute French contention, (3) accepts suggested verbal amendment.	986
843 MR. ADDISON Berlin No. 1367	Nov. 28	Refers to No. 835: reports conversation with President of Inter-Allied Aeronautical Commission of Control, who urged early decision on future of air control and pointed out disadvantages in delay. <i>Encl.</i> Memo. by Air-Commodore E. A. Masterman on results of delay in decision on future of civil aviation in Germany.	986
844 MR. SEEDS Munich Tel. No. 33	Dec. 1	Refers to No. 841: considers no serious monarchical movement likely in near future: gives own estimate of position.	988
845 LORD HARDINGE Paris Tel. No. 925	Dec. 2	Reports withdrawal from agenda of Conference of Ambassadors of question of future military and aeronautical control in Germany (cf. No. 835): suggests reasons for possible French policy of procrastination.	989
846 LORD HARDINGE Paris Tel. No. 938	Dec. 7	Requests further information and instructions on proposed construction in Germany of military airship for U.S. (cf. No. 832).	990
847 To SIR A. GEDDES Washington Tel. No. 720	Dec. 9	Refers to No. 833 and enquires as to attitude of Japanese Govt. towards German airship for U.S.	990
848 To LORD HARDINGE Paris Tel. No. 706	Dec. 9	Refers to No. 846 and confirms earlier instructions.	991

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
849	MR. WATERLOW Foreign Office	Dec. 12	Memo. of interview with German Ambassador who urged importance of settlement of 'Deutsche Werke' question (see No. 810 (2)).	991
850	SIR M. CHEETHAM Paris Tel. No. 952	Dec. 14	Refers to No. 848 and states attitude he proposes to adopt at Conference of Ambassadors on Dec. 16 on question of airship for U.S.	992
851	TO LORD HARDINGE Paris Tel. No. 717	Dec. 16	Refers to No. 850: approves proposal to agree to U.S. request but deprecates suggested withdrawal of consent if Japanese reserve right of their Govt. to order similar airship, reservation unlikely to have effective sequel.	992
852	BOARD OF TRADE	Undated	Memo. on rights of British shipping under Treaty of Versailles. Belgian Govt.'s arrangement not to accept separate German proposals (cf. No. 817).	993
853	SIR M. CHEETHAM Paris Tel. No. 956	Dec. 16	Reports discussion at Conference of Ambassadors on Dec. 16 of (1) U.S. request for German airship: request granted and approval given to clause ensuring construction not used to prolong Aeronautical Commission of Control and to recognition of Allied rights to full set of plans of airship, (2) conversion to civilian purposes.	995
854	MR. ADDISON Berlin No. 1404	Dec. 17	Reports conversation with Secretary of State on Dec. 15 on question of new German Army Training Manual: Herr von Haniel's intention to correct unfortunate and unintended impression.	997
855	TO LORD HARDINGE Paris Tel. No. 724	Dec. 20	Instructions to support at Conference of Ambassadors German request for permission to construct light cruiser: gives reason.	998
856	TO LORD HARDINGE Paris Tel. No. 728	Dec. 21	Refers to No. 853 (2): authorizes acquiescence in solution proposed relating to 'Deutsche Werke': warns of importance of ensuring that indefinite postponement of enforcement of Military Commission of Control's decisions are not used to prolong existing system of military control in Germany.	998
857	LORD HARDINGE Paris Tel. No. 963	Dec. 21	Reports Conference of Ambassadors' (1) agreement to final extension of time to Mar. 1, 1922, for conversion to commercial purposes by Germany of submarine diesel engines (cf. No. 784), (2) adjournment of question of 'Deutsche Werke' owing to disagreement on fixing of time-limit within which alterations had to be made.	998

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
858 LORD HARDINGE Paris Tel. No. 978	Dec. 28	Reports discussion at Conference of Ambassadors on Dec. 28 of (1) time-limit for 'Deutsche Werke' alterations (cf. No. 857): rejected and Gen. Nollet's original scheme adopted, (2) size of police force in plebiscite territories handed back to Germany, (3) non-liability of Allied nationals to pay German capital levy.	999
859 MR. WIGRAM Foreign Office	Dec. 30	Memo. by Mr. Wigram on the future of military, naval, and aeronautical control in Germany, and continuance of the 'military sanction'.	1000

PART I

CHAPTER I

The Disorders in Silesia following the Plebiscite March 22–July 8, 1921

No. 1

*Earl Curzon to Colonel Percival*¹ (*Oppeln*)
Unnumbered Telegraphic [C 6032/92/18]

Private

FOREIGN OFFICE, *March 22, 1921, 7 p.m.*

For your confidential guidance I think it well to tell you that, in view of overwhelming German majority in plebiscite area,² the only really efficacious solution appears to us to be the recognition of German claims to the whole. The difficulty of any other solution whether it takes the shape of drawing an arbitrary frontier line or of creating Polish enclaves in German territory or *vice versa*, strikes us as overwhelming, and we can hardly anticipate a successful result to labours of Commission if they assume either of these forms. Our views are more likely to commend themselves to the Italians than to the French and may possibly be supported by former. French opposition may probably be regarded as inevitable. It may help you in the impending discussions if, without revealing what I have said here, you are acquainted with the general attitude of the British Government. At the same time we are of course anxious that the Commission should, if possible, present us with a unanimous report.³

¹ British Commissioner on the Inter-Allied Administrative and Plebiscite Commission in Upper Silesia.

² See Vol. XI, Nos. 170 and 171. For documents concerning the Upper Silesian plebiscite, see Vol. XI, Chap. I. Voting had taken place on March 20.

³ In a minute of March 23 Lord Curzon stated: 'My telegram to Col. Percival was merely an indication of the trend [of] our policy as a guide to his own action. We shall find difficulty in carrying it out. For the moment I would abstain from any action which might make the French even more suspicious.' The last remark referred to a suggestion made in a minute by Mr. S. P. Waterlow (of the Central Department of the Foreign Office) that concessions should be made to Germany on Upper Silesia in return for her 'readiness to come forward with new and acceptable proposals about reparation'.

No. 2

*Mr. Max Muller*¹ (Warsaw) to *Earl Curzon* (Received March 25, 7 p.m.)
No. 166 Telegraphic [C 6200/92/18]

WARSAW, March 24, 1921, 6 a.m.

I found Minister for Foreign Affairs² last evening³ very depressed at result of voting in Upper Silesia which has on the whole turned out far worse than Polish Government had anticipated. In western and northern counties they had expected overwhelming German majorities and also in the large industrial towns, but they had hoped that Polish majorities in country districts surrounding those towns would more than counter-balance German majorities in them. This had not proved to be the case and Minister for Foreign Affairs attributed this entirely to emigrant vote.⁴ He said that so far as any definite decision was concerned the plebiscite might just as well never have taken place, and that the entire responsibility now rested on Inter-Allied Commission and Supreme Council.

In common with all Poles he still hopes that fact that number of Polish Communes in eastern, south-eastern, and central districts is largely in excess of German will secure those districts in their entirety to Poland which he claims to be the meaning and intent of Article 5 Annex to Article 88 Treaty of Versailles.⁵

The Polish people are or appear to be convinced of their victory and newspapers foolishly encourage them in this idea. On Tuesday⁶ streets were crowded with processions and cheering crowds and there was a huge public thanksgiving service near this Legation. Prince Sapieha agreed with me that these public rejoicings were premature and regrettable.

Repeated to Oppeln.

¹ H.M. Minister at Warsaw.

² Prince Sapieha.

³ March 22, since this telegram was drafted on March 23.

⁴ i.e. the votes of those born in the plebiscite area but domiciled outside, who were entitled to vote under the provisions of Article 88 (Annex, Section 4) of the Treaty of Versailles.

⁵ See No. 13, paragraph 4 below.

⁶ i.e. March 22.

No. 3

Colonel Percival (Oppeln) to *Earl Curzon* (Received March 24, 3.30 p.m.)
No. 47 Telegraphic [C 6203/92/18]

OPPELN, March 24, 1921, 1.50 p.m.

Latest figures available allot 704,579 votes to Germany, 471,523 to Poland.¹ In industrial area of Beuthen Gleiwitz Kattowitz where about 40% of total votes were given, Germany obtained 259,000 votes or about 56% and Poland 205,000.

¹ For the final figures see No. 22.

In Beuthen land and eastern districts of Kattowitz where Polish majorities have been obtained Polish bands are committing acts of terrorism.

In former 7 Germans including 4 gendarmes have been killed and in latter German officials have been ill-treated and many have left their posts whilst bands carrying Polish flags are to be seen in the streets. British officials have proceeded to scene and 2 British companies are being ordered to reinforce Beuthen from Lublinitz whilst two French companies are reinforcing Kattowitz district. General Lerond² declares reason for these outrages is fact that President Ebert³ has published a proclamation claiming whole of Upper Silesia in spite of Polish majority in Rybnic, Pless and Tarnowitz districts and that Polish population cannot be expected to submit to this quietly.

Addressed to Foreign Office, sent to Paris, Berlin, Warsaw and Rhine Army G[roup].

² General Le Rond was the French Commissioner on and President of the Inter-Allied Administrative and Plebiscite Commission in Upper Silesia.

³ President of the German Republic.

No. 4

Colonel Percival (Oppeln) to Earl Curzon (Received March 26, 11.50 a.m.)
No. 49 Telegraphic [C 6205/92/18]

OPPELN, March 26, 1921, 1.40 a.m.

In continuation of my telegrams 47¹ and 48.²

British officers in areas of Beuthen, Kattowitz and Pless report that Polish terrorism still continues though in Beuthen and Kattowitz areas situation is slightly easier. Numerous refugees are arriving at Kattowitz many of them showing signs of ill-treatment. Polish flags are still displayed in three or four places and bands of hooligans are in evidence in villages and towns along Eastern borders of above-mentioned areas. Railway service also is somewhat disorganised in this district principally owing to the fact that German railway staff have been terrorised and in certain cases have left their posts. State of seige [*sic*] has been extended to Koenigshütte and Rybnik districts and reinforcements of troops are being sent to threatened areas including one company of Royal Sussex Regiment from Tarnowitz.

Thanks to the fact that British have representatives in all districts above incidents have been brought promptly to the notice of Commission and I have no reason to believe up to the present that the situation will not be kept in hand. A certain amount of trouble was to be expected in any case

¹ No. 3.

² Of March 24, not printed. This had reported that trouble had extended to the district of Pless and that the Plebiscite Commission had declared a state of siege in the Beuthen, Kattowitz, and Pless areas.

in view of result of Plebiscite and for that reason I am not as yet inclined to regard the situation as really alarming, though much will now depend on the conduct of German population which may undertake reprisals. So far German section of population has kept quiet though excitement is rising.

Repeated to Paris, Berlin, Warsaw.

No. 5

Colonel Percival (Oppeln) to Earl Curzon (Received March 30, 2 p.m.)

No. 53 Telegraphic [C 6508/92/18]

OPPELN, March 29, 1921, 9.30 p.m.

In private conversation Prince Hat . . .¹ (? has informed me that) although Germany considers she has right to keep whole of Upper Silesia in view of result of Plebiscite, he himself would not be surprised if Pless and Rynick [*sic*] districts were allot[t]ed to Poland and in such an event Germany would be compelled to accept verdict of allies. He had grave fears however that Polish people were being systematically deluded by fantastic demands in their press into believing that they were entitled to greater part of Upper Silesia east of Oder, and that as a result there would be Polish rising in Upper Silesia supported (? by an) invasion by Poland after allies had given their decision. This he declared would mean firstly civil war in Upper Silesia and secondly war between Germany and Poland. As a remedy he suggested allies should keep their troops in Upper Silesia beyond period fixed by treaty. Prince Hat . . .¹ has made same statement to General De Marinis² who is inclined to (? press) allot[t]ing Rynick [*sic*] and Pless to Poland because of their contiguity to latter country and their large Polish majority and also because he thinks such a solution may pacify Poland.

Repeated to Warsaw, Paris, Berlin.

¹ The text is here uncertain. The reference is to Prince Hatzfeldt, German delegate attached to the Inter-Allied Plebiscite Commission.

² Italian Representative on the Inter-Allied Plebiscite Commission.

No. 6

Colonel Percival (Oppeln) to Earl Curzon (Received March 31, 9.20 a.m.)

No. 54 Telegraphic [C 6509/92/18]

Urgent. Most secret

OPPELN, March 30, 1921, 6.40 p.m.

Reference last sentence of my telegram No. 53.¹

I believe Italian Government have advised General de Marinis to exercise discretion by making some concessions to Poles in districts where latter have

¹ No. 5.

decisive majority whilst allotting greater part of Upper Silesia to Germany including industrial triangle of Beuthen, Gleiwitz and Kattowitz, and that de Marinis interprets this to mean allotment to Poland of Pless and Rybnik and some insignificant strips of territory on eastern border.

Would Your Lordship desire me to support him in this with a view to presenting identical recommendation to Council of Ambassadors?²

Repeated to Paris.

² In his telegram No. 24 of April 3, not printed, Lord Curzon authorized Colonel Percival to support his Italian colleague in recommending this compromise.

No. 7

Mr. Max Muller (Warsaw) to Earl Curzon (Received April 4)

No. 210 [C 6796/92/18]

WARSAW, March 30, 1921

My Lord,

From all that has already been written in regard to the result of the Plebiscite in Upper Silesia one point emerges clearly, namely, that the actual result of the voting cannot be accepted as decisive in the sense that it can be followed blindly as the one determining factor in drawing the boundary line between Germany and Poland in that part of the world. On the one side no one will be prepared to accept the German contention that their majority in the entire plebiscite area, heavy though that majority undoubtedly is, entitles Germany to the possession of the entire province. On the other side the Polish claim to the entire South-eastern block including the industrial triangle Gleiwitz-Beuthen-Kattowitz, on the ground that, though the number of votes cast there on either side was nearly equal, yet the larger number of communes voting Polish entitles Poland to the possession of the entire district, is equally inadmissible. It becomes therefore [a] question of compromise and partition, and, as Prince Sapieha said to me at our interview on March 22nd,¹ a heavy responsibility is thus cast on the shoulders of the Inter-allied Commission and ultimately of the Allied Governments.

My despatches No. 206 of March 28th² and No. 207 of today's date² will have explained to Your Lordship the nature of the arguments put forward by the Polish Government and the Polish press in support of their claim and they certainly call for no further comment. Nevertheless I venture to think that there are certain other arguments deserving of careful consideration, which might warrant us in supporting so far as is compatible with our sense of justice a modified Polish claim to the industrial district which lies nearest to the Polish frontier.

¹ See No. 2.

² Not printed.

The decision arrived at on this point cannot fail to exert the greatest possible influence on the future relations of our country with Poland. There is, as is well known, a wide-spread, though, so far as I can judge, unjustified, belief that His Majesty's Government have consistently adopted an attitude adverse to the interests of Poland, and though not openly expressed there undoubtedly exists in the minds of most Poles a latent fear that in deciding the question of Upper Silesia we are likely to show favour to Germany at the expense of Poland. It is useless to try and explain that the decisions of His Majesty's Government are not influenced by prejudice or by selfish regard for British interests but rather by a sense of what is just and by regard for the general welfare of Europe. It might be thought that our intention to send to Poland a financial commission to assist so far as possible in building up the economic life of the country would provide sufficient proof of our friendly interest;³ but this is not the case, and we must be prepared in the event of a decision in Upper Silesia unfavourable to Poland, to find that the major share of the blame will be laid to our account and that British interests in Poland, such as they are, will suffer proportionately, while nothing that we can do out here will suffice to counter-balance the undoubted unpopularity of His Majesty's Government unmerited though that unpopularity may possibly be.

We are sending out the financial mission for no other reason than that we feel in duty bound to do what we can to assist in the financial and economic resurrection of a country for the very existence of which we are in part responsible. In order to attain that end a large measure of outside assistance is essential and we are undoubtedly the Power best fitted to afford that assistance. Whether the Mission will be able to achieve any tangible results it is difficult to foretell. Their advice is bound to be unpalatable in substance, however pleasing the form in which it is couched. I cannot pretend to any knowledge of finance but my common sense tells me that the first advice of Commander Hilton Young⁴ to the Polish Government will be to reduce their military budget to more sane dimensions and to increase the taxation of the great landed proprietors and other wealthy citizens. If we can get the Polish Government to act on these fundamental principles we shall have achieved more than I have dared to hope for; but it is manifest that the advice of the financial mission and any support which this Legation can afford them will carry far greater weight and have far better chances of achieving the results which His Majesty's Government have in view, if we are able to point to some tangible proof of our desire to see Poland economically strong, such as would be afforded by the possession of a large share of the industrial districts of Upper Silesia, which would by increasing the wealth and productive power of Poland contribute materially towards her financial reconstruction.

³ For earlier correspondence concerning British financial aid to Poland, see Vol. XI, Nos. 690, 693, and 707.

⁴ For the proposals to send Lieutenant-Commander Hilton Young, M.P., as Financial Adviser to the Polish Government, see Vol. XI, No. 707.

Upper Silesia provides only an infinitesimal share of the total wealth of Germany, while the increase to the wealth of Poland entailed in the acquisition of the industrial districts of Upper Silesia would be proportionately far greater, so that it may fairly be argued that from the economic point of view the possession of those districts is of far greater importance to Poland than to Germany.

It has frequently been stated that the partition of the industrial district of Upper Silesia is economically unsound, and that the separation of the manufacturing towns from the surrounding coal mining villages is not only economically but also practically impossible. Further, it has been stated that the industrial area of Upper Silesia is in reality indivisible from the industrial area of Sosnowice, Bendzin and Dombrowa on the Polish side of the frontier and this argument might well be urged as a reason for assigning the industrial district in Upper Silesia nearest to the frontier to Poland. Another argument advanced on behalf of Poland which is worthy of some consideration in these democratic days is that the Polish vote represents a majority of labour, while the German voters comprise chiefly shopkeepers, skilled grades of hand-workers and the 'outvoters'.⁵

Finally I am unable to believe that the possession of Upper Silesia by Germany would in any way affect the payment to the Allies of the reparation money. Germany will pay just so long and just so much as the Allies are in a position to force her to pay, otherwise not the possession of all the riches in the world would induce her to pay us a penny. On the other hand, the possession of Upper Silesia would undoubtedly increase her powers of recuperation in a military sense and would provide her with an additional arsenal for use against her neighbours in the future.

I have in this despatch dealt largely in generalities and have abstained from entering into any detailed discussion as to the exact limits of the district that should fall to the share of Poland, as only those on the spot are in a position to give reasoned advice on such a question. My only reason in writing is that I thought it right to bring to Your Lordship's knowledge the above arguments in the hope that the important bearing of the possession of the mining and industrial district of Upper Silesia on the survival and ultimate economic recovery of Poland, a cause in which His Majesty's Government are evincing such unselfish interest, may receive full consideration before any final decision is arrived at.

I am sending a copy of this despatch to Colonel Percival at Oppeln.

I have, &c.,

W. G. MAX MULLER

⁵ See No. 2, n. 4.

*Memorandum by Mr. Headlam-Morley¹ respecting Upper Silesia and
East Galicia*
[C 6680/92/18]

FOREIGN OFFICE, March 31, 1921

1. In connection with the decisions which will shortly have to be made as to Upper Silesia, it may be useful to call to mind that this is not the only frontier problem of Poland which is awaiting determination. The whole question of East Galicia is still in suspense. It will possibly be found convenient to treat the two problems together. This seems desirable on general principles for the territorial constitution of Poland should be considered as a whole, and as I shall show, there are special reasons why a common treatment might prove to be useful if, as is to be anticipated, a conflict of views arise[s] as to Upper Silesia between the British Government on the one hand, the Poles and the French on the other.

2. Briefly stated the situation with regard to Galicia is as follows. All Western Galicia is by common consent Polish. The Eastern part of the province contains however a largely predominant Little Russian population who are quite distinct from the Poles in origin, language and religion, and, during the first six months of 1919, opposed the attempt of the Polish Government to annex their country in arms. The representatives of the population, commonly called Ruthenians, appealed to the Conference for protection against the Poles, but the question was never decided. The present situation is that by a draft treaty presented to the Poles for signature at Sèvres, West Galicia was formally assigned to Poland.² The Poles however refused to sign this treaty, presumably on the ground that they could not assent to anything which seemed to recognise that East Galicia did not also *ipso facto* belong to them. Under an arrangement made at Paris in July 1919, they were however allowed to carry out a military occupation of the country.³ It was the intention at the time to couple this military occupation with a formal arrangement by which either (1) East Galicia should be created as an autonomous area, or (2) should be united with Poland under such conditions as should be determined. The consideration of the future status of East Galicia was the subject of prolonged negotiations during the last six months of 1919, but no decision was arrived at as the Poles refused to accept the draft agreement which was drawn up. Throughout this period the British

¹ Mr. J. W. Headlam-Morley, Historical Adviser to the Secretary of State for Foreign Affairs since March 1920, had been a member of a special commission which had drafted, for consideration by the Council of Four, provisions for holding the plebiscite in Upper Silesia. (See No. 13 below and *F.R.U.S. Paris Peace Conference, 1919*, vol. vi, pp. 186-7.) For documents referring to the question of Eastern Galicia, see Vol. III, Chapter III.

² For the text of this treaty of August 10, 1920, see *B.F.S.P.*, vol. 113, pp. 866-72. See also Vol. II, No. 36, n. 12.

³ The reference is presumably to the agreement reached by the Council of Foreign Ministers on June 25, 1919, concerning the political status of East Galicia. (See *F.R.U.S. Paris Peace Conference, 1919*, vol. vi, pp. 677-8.)

Government took a very strong position, insisting that due regard must be paid in any decision to the desires of the population. In January 1920, however, owing to reasons which are not apparent, His Majesty's Government seems to have dis-interested itself in the matter. The practical result is that the Poles are now not only in military occupation but have full and uncontrolled authority, though there is as yet no legal basis for the exercise of this authority. The sovereignty of the country still belongs to the Principal Allied and Associated Powers to whom it was transferred by the Treaty of St. Germain.

3. Practically speaking there is no doubt that in some form or other the country will have to be handed over to Poland, but it is within the rights of the Principal Allied and Associated Powers to determine the conditions on which it shall so be handed over, and it is undoubtedly their duty to make these conditions such that they will afford a reasonable protection to the great majority of the population who are not Polish.

4. Now, for present purposes the important point is that the grounds on which the Poles claim East Galicia are point for point completely inconsistent with the grounds on which they claim Upper Silesia. A comparison is very instructive. The Polish case for Upper Silesia as against the Germans is identical with the Ruthenian case in East Galicia as against the Poles. The grounds on which the Poles claim East Galicia are identical with those on which the Germans claim Upper Silesia.

5. Ultimately the Polish claim to East Galicia is historical. It was Polish from the 14th century down to the time of the partition. In regard to Upper Silesia, it is the German historical claim which the Poles contest. It is interesting to note that Upper Silesia became German in 1338 and East Galicia became Polish in 1340. Again, the Poles claim East Galicia on the ground that all the cultural elements are Polish and that the Ruthenians are merely an uneducated peasant population. This is the exact reverse of the claim which they make in Upper Silesia, where they rest their case on the desires of the workmen and peasants who have been tyrannised over by the German cultured classes.

6. In Upper Silesia they claim to free the peasants from the feudal domination of the German landlords; in Galicia it is the Poles who are the landlords and wish to maintain their control over the peasants who, up to 1848, were in actual serfdom.

7. Again, the Poles strongly contend that it is to the advantage of Europe that they should have the control of the oilfields as the Ruthenians are not to be trusted to exploit them properly. This is the very claim which the Germans made for the control of the Silesian mining district as against the Poles.

8. The Poles in Silesia appeal to the result of the plebiscite; in Galicia they have consistently refused to accept the very conception of a plebiscite either now or at some later period. They will claim portions of Silesia where there is a very narrow Polish majority, or even a Polish minority, while there is every reason to believe that a plebiscite in Galicia would show that the Poles throughout were in quite a small minority.

9. The Poles specially claim Lemberg as being an ancient city of Polish culture, and say it ought therefore to be theirs even though the surrounding district is Ruthenian. With this we may compare the German claim not only to the urban districts in Silesia, but in other places such as Bromberg or Danzig.

10. During the last two years we have of course become accustomed to the unabashed manner in which the Poles will at one and the same moment claim different territories on grounds which are quite inconsistent with one another. The characteristic is flagrant and notorious. Even if we do not take a very high standard in these matters, it seems to go beyond what their own intellectual self-respect might seem to demand. While, however, we have become thoroughly accustomed to this, there seems no reason why full advantage should not be taken of it in any discussions which may ensue, and if used with discretion it might become a very valuable weapon. It is perhaps unfortunate that the sole onus of resisting unjustifiable Polish claims has fallen on this country. What one would like to see would be that the situation was so handled as to put them in the position of arguing the two cases simultaneously with full publicity, as for instance before the Assembly of the League of Nations.⁴

J. W. HEADLAM-MORLEY

⁴ In a minute dated April 6 Sir E. Crowe (Permanent Under-Secretary of State for Foreign Affairs) commented as follows: 'There is however one factor which widely distinguishes the Upper Silesian problem from that of Eastern Galicia. As regards Upper Silesia there is a clear alternative of incorporation of the disputed regions in either Germany or Poland. Generally speaking, and leaving aside minor points of difficulty, either solution would be politically acceptable. But in the case of Eastern Galicia, the only alternative to union with Poland would be incorporation in Russia. This is not a solution that we politically desire, as it would bring Russia right down to the Carpathians, which has never been the case before. We have therefore an interest in attaching E. Galicia to Poland in some form or other. All our recent information tends to show that the Ruthenes of E. Galicia are quite content with their present situation, and it would be much better not to start a fresh agitation which might unsettle a fairly tranquil situation. I think we should deal with the Upper Silesia problem on its merits alone, and not complicate a solution by dragging in Eastern Galicia.'

This minute was initialed by Lord Curzon on April 6.

No. 9

Mr. Max Muller (Warsaw) to Earl Curzon (Received April 3, 5 p.m.)

No. 178 Telegraphic. [C 6745/92/18]

WARSAW, April 1, 1921, 10.15 p.m.

I communicated to Minister for Foreign Affairs privately substance of Colonel Percival's telegrams ending with his telegram No. 50¹ regarding Polish terrorism in Upper Silesia and appealed to him to put an end to it. I have received long reply of which I will send copy by next bag.² Minister

¹ Of March 26, not printed. See Nos. 3 and 4.

² Transmitted under cover of Warsaw despatch No. 216 of April 5, not printed.

for Foreign Affairs states he has called for a full report from Polish Consul-General³ at Oppeln, but meanwhile he feels convinced that disorders, which he admits have occurred in districts where voting showed large Polish majority, cannot but be due to German provocation as it would obviously not be in Polish interest that disorders should occur in this area which 'will most certainly be assigned to Poland.'

Minister for Foreign Affairs contends [that proclamation of]⁴ martial law was mainly result of representations by Korfanty⁵ and Polish Consul-General. His Excellency expresses fear that situation will become increasingly difficult pending final decision of Council of Ambassadors and especially at moment of its publication. He concludes by expressing hope that matter may be dealt with as soon as possible, and assures me that Polish Government will do all in its power to support any action taken by plebiscite commission.

Repeated to Oppeln.

³ M. Keszycski.

⁴ These three words are supplied from the draft of this telegram in the Warsaw Embassy archives.

⁵ Head of the Polish Plebiscite Committee.

No. 10

Colonel Percival (Oppeln) to Earl Curzon (Received April 4, 4 p.m.)

No. 55 Telegraphic [C 6896/92/18]

Urgent

OPPELN, April 4, 1921, 3 a.m.

Mr. Max Muller's report to Minister for Foreign Affairs at Warsaw on the subject of Polish terrorism has, I think, had considerable effect.¹ Polish Consul-General informed me to-day that he had [? been] called to render full report on the subject to Warsaw. He said he considered that I was inclined to take too serious a view of the disorders which he admitted had occurred, and also that the Germans had been guilty of certain acts of terrorism. Finally he asked me to advise him as to what steps could be taken by the Polish Government to improve the situation. I replied that I had made every allowance for the state of excitement existing in Upper Silesia immediately after the plebiscite. I had, however, ascertained from British officers, specially detailed to investigate the situation on the spot, that disorders last week were general throughout the eastern districts from Beuthen to Pless, where numerous Polish flags had been hoisted for the occasion. Flags had been now removed, (in certain cases by the above-mentioned British officers) and the state of siege had also brought about considerable improvement in the situation. Nevertheless isolated acts of terrorism were being still committed. As for instance at Anhalt where two more German houses had been burnt by Polish bands. I could not agree that the Polish terrorism was due to German provocation. I had personally investigated the complaints

¹ See No. 9.

of the Polish representatives on this subject and found them unfounded. Lastly I suggested that the Polish party, if it wished, could certainly take steps effectively to put a stop to Polish terrorism, namely by acting through the Polish Press. Representatives of the latter could easily be called together and be requested to adopt . . .² ing tone instead of . . . (? fann)ing² political animus to fever heat as at present; occasional appeals to the population to maintain law and order are published but the effect is . . .² by insertion of other matter of a highly provocative nature. I feel very strongly (? that) the best means of putting a stop to terrorism and to bring Upper Silesia quiet is to act through the whole Polish Press as I have suggested and propose to appeal to Prince Hatzfeld[t] to take similar steps with German Press.

Addressed to Foreign Office.

Repeated to Paris, Berlin and Warsaw.

² The text is here uncertain.

No. 11

Earl Curzon to Lord Hardinge¹ (Paris)

No. 155 Telegraphic [C 6953/92/18]

Secret

FOREIGN OFFICE, *April 4, 1921, 7 p.m.*

Situation caused by miners' strike, followed as it may conceivably be by similar attitude on part of transport workers and railwaymen, is regarded by our authorities here as one of utmost gravity, that may develop before end of week into national crisis of most serious dimensions.² In these circumstances it is the duty of His Majesty's Government to take every possible step for preservation of order and the protection of the life of the State, which may otherwise be imperilled. The first of these steps is the mobilisation and recall of every available resource in man-power. Orders are accordingly being issued for the return to England of all battalions within reach.

These must necessarily include the four battalions now in Silesia which it is proposed to recall to the Rhine to take the place of a corresponding number of British battalions there, which will be summoned home.

We are thoroughly conscious of the useful part that has been played by these troops in Silesia and of fact that situation which demands their presence is far from solved and may again become acute.

Should the prospect here turn out to have been exaggerated we shall be glad to modify these orders, or even, should the troops that are now brought to England not be required here, to place them again at disposal of Silesian Commission. But for the moment we have no alternative but to order their withdrawal.

¹ H.M. Ambassador at Paris.

² The Government had declared a state of emergency in view of the miners' strike which had begun on April 1. The threat of similar action by rail and transport workers did not materialize. The miners did not return to work until July 4.

Please call at once upon Monsieur Briand³ and explain the situation to him in the strictest confidence, pointing out our sincere regret at having to take a step which may increase the difficulties of the international situation, but the convincing nature of the reasons for which he will be the first to comprehend. The withdrawal of the Silesian forces to the Rhine will be conducted in such a way as to excite the least public notice, and no one will be better pleased than His Majesty's Government if they are able at no distant date once again to take their full share in the maintenance of peace and order in Silesia.⁴

³ French President of the Council and Minister for Foreign Affairs.

⁴ In his telegram No. 25 of April 4, not printed, Lord Curzon informed Colonel Percival of this decision to withdraw British troops from Upper Silesia.

No. 12

Lord Hardinge (Paris) to Earl Curzon (Received April 5, 11.30 p.m.)

No. 185 Telegraphic [C 6987/92/18]

Urgent. Secret

PARIS, April 5, 1921, 8.15 p.m.

Immediately on receipt this morning of Your Lordship's telegram No. 155 of last night,¹ I called upon Monsieur Briand and explained to him in strictest confidence the situation and military necessity created by miners' strike and its possible developments, and expressed regret of His Majesty's Government at necessity for withdrawing their troops from Upper Silesia, with assurance of possibility of reversing such action if it should be proved that presence of these troops in England is not justified by events. Monsieur Briand remarked at once that Marshal Foch² had been to see him yesterday with a message which he had received from Field-Marshal Wilson³ proposing that four battalions in Upper Silesia should be recalled. To this Monsieur Briand had immediately acceded and he wished to assure me that in this, as in all other matters, where he and French Government could assist, complete solidarity prevailed between the two Governments. As for the situation in Upper Silesia, in his opinion the moment of danger had passed and he did not anticipate any troubles for the time being, still in any case he would have readily agreed to withdrawal of British troops and taken other measures had such been necessary to maintain order.

He thanked me for my communication and expressed his ardent hope that outlook may in the end prove to be less serious than is at present anticipated.

¹ No. 11.

² President of the Inter-Allied Military Committee at Versailles.

³ Chief of the Imperial General Staff.

Memorandum by Mr. Headlam-Morley respecting the Upper Silesian Plebiscite

[C 7194/92/18]

FOREIGN OFFICE, April 6, 1921

In the memorandum attached to this I have given an historical account of the origin of the Upper Silesian plebiscite.¹ It may be useful to those who are responsible for the political decisions in the very difficult circumstances which have arisen, to investigate and elucidate the actual meaning of the relevant clauses of the Treaty. It can certainly be anticipated that arguments will be put forward on both sides, some of which will be very misleading, and my object is to prepare the ground for dealing with them.

2. This part of the Treaty² is a tripartite agreement the parties to which are (a) the Principal Allied and Associated Powers, (b) Germany, (c) Poland. No change can be made in the Treaty without the agreement of these three parties. Apart from any such agreed change what has to be done is simply to carry out honestly and fully the written agreement. Only if this method fails can any other be used. In particular it is in the interests of this country to take their stand on these grounds and be the advocates of a strictly impartial judgment. The general influence and authority of the British Government will gain more if it confirms its reputation for justice and fair dealing than it would by any advantage which might appear to result from the partial interpretation. The final decision on the frontier rests with the Principal Allied and Associated Powers; these functions must be interpreted not in a partisan sense; they have to act with strict impartiality as a mediator or arbitrator between the two parties mainly interested, Germany and Poland. The first thing to do, therefore, is to establish in the strictest manner precisely what the Treaty which they have to interpret means.

3. This work however is one of great difficulty. Quite apart from the very serious political questions at issue by which the judgment is inevitably biassed, the Treaty itself does not always afford clear guidance. It will be found that many points arise (1) where the wording of the Treaty is obscure, (2) where it is defective and gives no guidance. In regard to the first it would be legitimate to take into consideration in interpreting the meaning and intentions of those by whom it was drafted. This however is not easy. As the text is the result of discussions between representatives of four different Powers who were guided by very diverse motives, it may often happen that they would agree on a formula but that the verbal agreement might not represent a real harmony of view. There might be a real though unexpressed difference as to what the effect of the decision would be and also a genuine difference as to the actual interpretation to be placed upon the words. It could therefore happen that, if different members of the Commission which was responsible for drafting part of the Treaty were asked as to its intention and interpreta-

¹ See Annex below.² i.e. Section VIII of Part III of the Treaty of Versailles.

tion, they might give quite different answers.³ The interpretation I might give as to the intentions of the Commission of which I was myself a member, would not necessarily be accepted by my colleagues, and it is necessary to give a strong warning against claims which might be made by the Chairman of the Commission, who is also the Chairman of the Plebiscite Commission, to give an authoritative interpretation.

4. The governing words of the Treaty are the end of section 4, section 5 and the first sentence of section 6 of the annex to articles 87 and 88. They run as follows:

The result of the vote will be determined by communes according to the majority of votes in each commune.

On the conclusion of the voting, the number of votes cast in each commune will be communicated by the Commission to the Principal Allied and Associated Powers, with a full report as to the taking of the vote and a recommendation as to the line which ought to be adopted as the frontier of Germany in Upper Silesia. In this recommendation regard will be paid to the wishes of the inhabitants as shown by the vote, and to the geographical and economic conditions of the locality.

As soon as the frontier has been fixed by the Principal Allied and Associated Powers, the German authorities will be notified by the International Commission that they are free to take over the administration of the territory which it is recognised should be German; the said authorities must proceed to do so within one month of such notification and in the manner prescribed by the Commission.

These paragraphs are identical with the similar paragraphs dealing with the plebiscite in Allenstein,⁴ which had been drafted at an earlier stage, and

³ *Note on original*: 'An illustration of this, which is to some extent relevant, can be given. When the Slesvig clauses of the Treaty came under discussion at the Council of Foreign Ministers, Mr. Balfour [then Secretary of State for Foreign Affairs] made some very cogent criticisms on the system which had been adopted of voting by communes. M. Tardieu who, as Chairman of the Commission, was handling the matter, said in answer; "To put the matter quite frankly the Committee had feared that there might prove to be a majority for Germany (in the area under discussion). They hoped that by consulting the people commune by commune this result might be averted." Here then we have on the highest authority the reason why the French adopted this system. Speaking as a member of the Committee, I may say that my own reason for desiring voting by commune was quite different. What I hoped would be secured was the fullest and most accurate representation of the real feelings of the people so that, based on this, a line might be drawn which would be recognised by both sides to be just and final. It seemed to me a matter of very small importance how many villages went respectively to Germany or to Denmark, but it would be of the greatest importance that the whole matter should be settled one way or another and that the world should get to see that the Conference aimed at justice and impartiality. It is interesting in this case to note that M. Tardieu's expectations were completely falsified. But this system of voting by commune was eventually adopted both in Allenstein and Upper Silesia. We cannot be sure that the French, in supporting it, were not for these districts also guided by motives similar to those avowed by M. Tardieu—motives which certainly were not shared by their British colleague.'

⁴ For documents relating to the plebiscite in Allenstein, January 21–September 29, 1920, see paragraph 17 below and Vol. X, Chap. VIII.

were, after discussion, adopted also for Upper Silesia. The only difference is that according to the Allenstein clause there ought to follow at the end of section 5 the following words: 'The Principal Allied and Associated Powers will then fix the frontier between Germany and Poland in this region'; it must be assumed that these words were omitted merely by inadvertance [*sic*]. That it was intended to include them could be seen by the first line of the next section. They probably were overlooked as there was a doubt whether 'the League of Nations' should not be substituted for 'Principal Allied and Associated Powers'.

5. In drawing up the frontier there are then two stages: (1) a recommendation to be made by the Commission; (2) the final decision by the Principal Allied and Associated Powers. As to the duties of the first there are brief instructions which seem sufficiently clear. 'Regard will be paid to the wishes of the inhabitants as shown by the vote and to the geographical and economic conditions of the locality'. There is however nothing in the Treaty ordaining that the Principal Allied and Associated Powers shall in their decision be guided by these instructions, and it may be argued in consequence that they have full and complete freedom and can not only override the recommendations of the Commission, but also in doing this be guided by considerations quite different to [*sic*] those which were before the Commission. It is interesting to compare the clause governing the Slesvig plebiscite, which in this matter is very different. It runs as follows:

Pending a delimitation on the spot a frontier line will be fixed by the Principal Allied and Associated Powers according to a line based on the result of the voting and proposed by the International Commission, and taking into account the particular geographical and economic conditions of the localities in question.

The matter is one of fundamental importance; on it depends the question whether it is legitimate for the Supreme Council in coming to their final decision to take into consideration such matters as the general economic welfare of Europe, the relative advantages of different decisions to Poland, to Germany, or to other States, such as Czecho-Slovakia, the bearing of the decision on the capacity of Germany to pay Reparations. In order to get full information on this point reference would be necessary to the members of the Drafting Committee who were responsible for the Allenstein clauses, from which those for Upper Silesia are copied. My own view for what it may be worth is (1) that the Supreme Council clearly have the power to vary the recommendations made by the Commission, but (2) that they are bound, just as is the Commission, by the requirement that in the decision regard shall be paid to the wishes of the inhabitants, and the geographical and economic conditions of the locality, and to these alone; all other considerations must be excluded.

6. It must be taken that when the Supremé Council determined that the decision on Upper Silesia should be given by a vote of the population, they determined that this vote, however it might fall, would be final. By the very

fact that they adopted this solution, they deliberately decided to reject all other solutions and not to be guided by the larger political and economic issues. If these were to carry any weight, it must be only so far as the cognisance of them affected the voting of the people. The exclusion of these external considerations is in fact an essential part of the agreement incorporated in the Treaty. The Supreme Council therefore have no power to vary the verdict of the plebiscite, but only to interpret it. This means that their decision must be given solely on the result of the vote, except so far as power to vary the result is specifically given by reference to the 'geographical and economic conditions of the locality'. All then we have to do is to interpret the regulations laid down in the Treaty, and in particular what is meant by and implied in the voting by communes and what is meant by the words quoted.

7. Again, in interpreting the result, it would not be legitimate to go behind the vote, to consider the motives by which the voters were influenced, or weigh the relative value which ought to be assigned to different classes of voters. It is, for instance, not legitimate to attach weight to the suggestion that the voters may have been influenced by promises which were misleading and would not be fulfilled, or by statements which were untrue. These are the inevitable accompaniments of any appeal to a popular vote, and in agreeing to accept the results of such a vote, we agreed to leave the decision to people of whom a large proportion are ignorant of the stakes at issue and incapable of understanding or weighing the arguments addressed to them. In all cases the voters would have the other side presented to them, and as the verdict was placed in their hands, we must act on the assumption that they voted, after giving full weight to the rival arguments put forward by the two parties. The only case in which it would be legitimate to refuse to accept the verdict would be personation or intimidation. Intimidation could only be alleged as a reason for doing so if it was of a very gross and obvious kind, if, for instance, it had been of such a kind as to prevent voters going to the poll; the very high percentage of those who recorded their votes showed that there was not in fact intimidation of this kind. It might also be considered if it could be proved that in one or more districts a condition prevailed, for a considerable period before the vote was taken, of such a nature that the supporters of one side were in fact unable to place their arguments before the voters. As to the actual vote, it must be considered that the voters were sufficiently protected by the ballot; on the whole it is quite probable that violence on the one side would be quite likely to make the population vote on the other side.

8. We cannot weigh and compare the different classes of voters. This applies especially to the outvoters. I do not think they should have been included, but anyhow, as they were included, and no protest was raised at the time by the French, who may be regarded as the mouthpiece of the Poles, it is too late now to raise this objection; I believe that they acquiesced or even welcomed their inclusion under the belief that it was quite probable that this would be advantageous to the Poles. Moreover, it must be

remembered that their inclusion (in the standard regulations drawn up for Allenstein) was the work of the Drafting Committee, a non-political and presumably impartial body of lawyers.

9. We can now proceed to the instructions laid down in the Treaty; 'The result of the vote will be determined by communes', the words are quite specific; it is not said merely that the votes shall be counted by communes, but that the result shall be determined; this means and can mean nothing else but that unless there are definite reasons against it, each commune shall be assigned to the country for which the majority of the inhabitants have voted.⁵ (I may say that in my private notes I have queried the word 'determined' and my recollection is that I tried to get it changed to 'counted' but failed to do so). The only reasons that can be urged for refusing to assign a commune to the country for which it has voted are those specified in the Treaty, 'the geographical and economic conditions of the locality'. The first duty of the Commission is then to proceed to the assignation of all such communes. This will obviously create no difficulty with regard to large districts in the West which have voted German, and in which the vote is decisive, and probably will cause little difficulty with regard to some other rural districts which have voted Polish.

10. We come now to the real difficulty, the words 'the geographical and economic conditions of the locality'. These must be interpreted strictly. In the first place we must rule out all considerations which do not primarily affect the locality, as for instance the inconvenience which might be caused to other countries or the general welfare of Europe. Secondly it clearly cannot mean that we should simply reverse the decision of the voting because we think it would be disadvantageous to one commune or another to be attached to the country of its choice. We cannot say that a mining area which has voted German should become Polish because the produce of the mines has hitherto been exported to that part of Germany which, by other parts of the Treaty, has become Polish, nor that an industrial town which has voted Polish, should remain German because the coke used in the iron foundry comes from Germany. These are matters which we must presume were in the minds of the inhabitants when they gave the vote and as to which their decision is final. The only point which can be considered is the inconvenience which might be caused by the separation of contiguous communes from one another because this was a consideration which was not and could not be in the minds of the voters when they gave their vote.

11. In many cases comparatively small considerations of this kind must always affect the work of drawing up a frontier, questions for instance as to the course of a railway, access to a river, water supply, &c. These are the commonplaces of frontier drawing with which we need not trouble ourselves. Unfortunately in this particular area a difficulty arises of the largest scope. It seems clear that the whole of the industrial area, including a large part of the mining area, is so closely connected together and its interests are so

⁵ Lord Curzon underlined the words 'shall be assigned to the country for which the majority of' and wrote in the margin: 'I cannot see that this follows.'

closely bound up that it is impossible to separate it. Apparently, for instance, it has a common water supply and a common electric supply. It may therefore be assumed that the Commission will agree that this area must be treated as a unit. It is this area which is the only thing that really matters. The question is whether we can find within the limits of the Treaty clear guidance as to the decision with regard to it.

12. The first thing clearly to do will be to define what the limits of the inseparable area are. No doubt there will be a great struggle for this, but from the information available it appears that whatever limits are taken, it will be found that within these limits there is (a) a large majority of communes voting for Poland, (b) a comparatively small, but appreciable majority of individuals voting for Germany. The Poles will contend that as the vote is to be determined by communes the verdict must go to them; the Germans that the wishes of the population are shown by the absolute majority of the votes. The Treaty does not seem to give any clear directions on the point. The choice between the two alternatives cannot well be discussed in the abstract. As against the Poles it must be pointed out that it does not follow that because a commune is taken as the unit when each commune can be dealt with separately, it should still remain the unit when several communes have to be grouped. It seems more in accordance with the general intentions that in the latter case the result should be given by the counting of heads in the whole grouped area. We can indeed imagine a case where an exception to this would be admissible, where, as in the case of Lemberg or Bromberg, a single very large town, predominantly alien in character, is planted in the middle of an indigenous rural population. This is however not the condition in Upper Silesia. There to a large extent the towns and the contiguous communes are very similar in population and in general Polish majorities in the extra urban districts are not decisive. I should say, therefore, that the only fair thing is to treat the whole inseparable area as one block, and if there is a German majority in it, assign it to Germany.

13. There is another reason for doing this. In a case of doubt it is nearly always preferable to preserve the *status quo*. It is a more serious action to separate a large minority, still more a small majority, against their will from the country to which they have hitherto belonged, than it is to override the desire of a large fraction of the population to join another country. On both grounds then it seems to me that if we act strictly in accordance with the Treaty, the industrial area ought to go to Germany.

14. To whichever country it is assigned there will necessarily remain a fringe as to which it is doubtful whether or not it belongs inseparably to the industrial area. The decision as to this will be a difficult one; if necessary it would be legitimate within this limited district to take a fresh vote of the population. The determination as to this point, involving as it does the local relations of the communes to one another, is a completely new point as to which the plebiscite gave no guidance. The full responsibility for determining this rests with the Allies and it is open to them to take any such measures as they wish to get the necessary information.

15. Look at it as we will, we cannot however escape the conclusion that as regards the industrial area (and this is the only thing that matters) the plebiscite has failed. The justification for the adoption of the plebiscite method for the settlement of frontiers is not merely that it is the method of justice, but that being the method of justice it gives a result which both parties will accept as final. The ultimate object is to get rid once and for all of these disputes for territory. For this purpose it is very essential that the result of the voting should be definite and conclusive, as it has been in other plebiscite areas. It may be hoped that the Slesvig and Klagensfurt questions will now cease to trouble the world; the frontiers arranged may be considered definitive. With regard to Silesia, however, whatever may be the decision of the Supreme Council, of one thing we can be sure, viz: that it will not be accepted as a final solution; the side against which the verdict is given will not accept the decision and will always try to get it reversed. This being the case, it would be legitimate—and it may be necessary—to go outside the Treaty and find some other solution. If this course is adopted, however, it can only be by a free and open bargain; it must not be one imposed on either side by military force or economic pressure. It would be beyond my functions to investigate the possibilities further; the only contribution I can make is in the suggestion which I have already put forward, that East Galicia and Upper Silesia might be dealt with together.

J. W. HEADLAM-MORLEY

ANNEX TO NO. 13

Memorandum by Mr. Headlam-Morley respecting Upper Silesia at the Peace Conference⁶

FOREIGN OFFICE, April 6, 1921

In view of the importance which the Upper Silesian question has assumed, and the urgent necessity of finding some solution for the very difficult problem which is presented by the result of the voting in the plebiscite, it may be of interest to place on record the negotiations which took place at the Peace Conference with regard to this question. Even if this is not of immediate practical use as providing a way out of the difficulties with which we are confronted, it will at least be instructive as showing how they have arisen. I have therefore, in connection with my work on the history of the Peace Conference, put together a short memorandum on this matter:—

1. The first reference to Upper Silesia will be found in the series of papers prepared in the Foreign Office during the end of 1918 in preparation for the Peace Conference. In the paper on Poland (P. 4, December 9, 1918), is contained the following passage:—

‘The question has been raised whether the coal-mining districts of Silesia should be included in the new State of Poland. As the inhabitants are

⁶ The text of this memorandum follows the Confidential Print.

without doubt mainly Polish, there would seem no good reason for refusing their union with Poland, and there is an important economic reason in favour of doing so, namely, that the coal of these districts cokes, whereas that of Poland proper does not. Their acquisition would therefore be of vital importance for the development of Polish iron industries.⁷

2. Here, then, we have a policy clearly stated. In view, however, of the peculiar importance of the district, it would have been desirable that this paragraph should have been submitted for further criticism and consideration. This was not done, and the possible difficulties of this policy were not investigated. This is particularly to be regretted, because the statement cannot be considered satisfactory even as a brief summary; the expression 'there would seem no good reason for refusing their union with Poland' is not clear; it is not apparent whether it means refusing the presumed desire of the inhabitants to join Poland or the refusal to Poland of its right to annex this territory; the distinction, however, is fundamental. Even if it might be accepted that the inhabitants without doubt were mainly Polish, it is an unjustifiable corollary to assume that they certainly desired union with Poland. This distinction raises the whole question whether the frontiers of States were to be determined by purely ethnographic considerations or whether the wishes of the population were to be taken into consideration. Moreover, the brief reference to the economic reasons is also unsatisfactory. The statement, first of all, is only partially correct. Upper Silesia is not rich in good coking coal. The Silesian coalfield is really identical with that of Poland, and the quality of the coal is very similar. The real difference appears to be that the Germans have by special appliances to some extent overcome the difficulties of converting Silesian coal into coke. If economic considerations were to be taken into account, then a full and considered opinion should have been required from the economic experts on the whole economic problem, of which the coking qualities of the coal is merely one small aspect. The question how far such economic considerations should be taken into account at all was one of the most difficult general problems of the Conference. The only satisfactory procedure would have been to arrange for a preliminary discussion between the political and economic authorities here before the Conference began; had this been done many difficulties would have been avoided.

⁷ *Note on original*: 'It must be noted that the series of papers of which this forms one were not to be taken as an authoritative statement of the views of the Foreign Office. They, in accordance with the procedure determined, were sent to General Smuts [Minister of Defence of the Union of South Africa and South African representative on the Imperial War Cabinet], who had been commissioned by the War Cabinet to draft a general statement of the British case for the Plenipotentiaries. He, however, seems to have confined his activities entirely to matters outside Europe. There is no record of any work being done by his section on European problems. At the end of December several meetings of the War Cabinet were devoted to a consideration of the problems of the Conference, but here again European problems were ignored. The delegation in Paris had therefore a completely free hand on all these matters.'

3. The question of the boundaries of the new Polish State was on the 26th February [1919] referred for examination and report to the commission which had already been established for dealing with Polish questions.⁸ In order to assist in the work of this commission, there was specially summoned to Paris Mr. H. J. Paton, who had been working under the Admiralty on Polish questions for over two years. The Department to which he was attached had very thoroughly investigated the whole ethnographical statistics of all the districts which were in any part Polish, and it was on the information which he was able to supply that to a large extent the decisions of the Polish Committee were based. The Americans had also done similar work. There was substantial agreement between the British and the American experts on this matter. They were at one in holding that all information available showed that there was a very considerable Polish majority in the greater portion of Upper Silesia. A series of papers prepared by the American Intelligence Section for the President proposes a line of frontier which, on the ground of nationality, would give all Upper Silesia east of the Oder, as well as a section west of the Oder, to Poland. The evidence on which both the British and the Americans depended was chiefly the statistics prepared by the German Government itself; they were supplemented by the evidence of the recent elections, in which Polish candidates had been returned in some electoral districts and in others had received a large proportion of the votes. On the purely ethnographic question there is no reason to doubt that the work was thoroughly and honestly done.

4. As a result of this substantial agreement between the British and the American representatives, the commission agreed on the proposed frontier in Upper Silesia almost at once. There was, in fact, practically no discussion about it. The French, for obvious reasons, were very ready to agree to the frontier which their colleagues put forward. As is well known, the motives by which they were governed were that they wished to deprive Germany of as large an amount of territory as possible and to extend the frontiers of Poland, and they were naturally particularly anxious that this very important industrial area, to which Germany owed so much of her wealth and prosperity, should be taken away from her. They therefore accepted the ethnographic line, not so much on the merits of the case, as because it gave the solution which they desired. In other districts, as, for instance, in East Prussia, they would have been quite prepared to disregard ethnographic considerations when it militated against their policy.

5. The important thing to note is that no one seems to have raised the point that to assign Upper Silesia to Poland purely on ethnographic grounds raised political and other problems quite different from those involved in fixing the frontier further to the north in Posen and West Prussia. And yet a moment's consideration would show that from a larger political point of

⁸ For this and subsequent references in this memorandum to the Paris Peace Conference, see *F.R.U.S. Paris Peace Conference, 1919*, vol. iv, pp. 139-41, 413-19, 449 ff.; vol. vi, pp. 147-55, 303-5, 311-17, *et passim*. See also D. Lloyd George, *The Truth about the Peace Treaties* (London, 1938), chaps. xvi and xx.

view the situation was completely different. After all, in dealing with West Prussia and Posen, what was being done was to cancel the partition of Poland—to restore to Poland land which had been undoubtedly Polish for many centuries. Even if in part of the restored districts there was a very considerable German population and in some towns an undoubted German majority, this action could clearly be justified, because to a large extent, though not entirely, the German population had been artificially introduced into what had been a Polish district. As the answer to the Germans⁹ pointed out, to make this a reason for not restoring the doubtful districts to Poland would only be endorsing acts of injustice. In Upper Silesia the situation was completely different. The country had not been politically Polish for 600 years; the German title was, as against Poland, a thoroughly good one, for it had been taken by Prussia not from Poland, but from Bohemia. We may put the matter in this way: in reversing the partitions of Poland it was just to give to Poland all old Polish land which was not overwhelmingly and obviously German; districts should be restored, even though there might be a small German majority or German *enclaves*. On the other hand, it would be unjust to assign to Poland old German territory unless there was a definite and unmistakable demand for this on the part of the population.

6. In addition to this historical point there is the economic. This also was not considered. The Polish, like the other Boundary¹⁰ Commissions, based its work purely on the ethnographic aspect. This procedure was, of course, in accordance with the agreed conditions of the peace. None the less, it might appear to have been within the functions of the commission at any rate to call attention to the very serious economic issues which were at stake, to point out to the Supreme Council what was involved in the decisions which they would have to make, and to supply a brief summary of the economic and industrial problem. There could have been appended to the report a description of the district from this point of view. This would have shown that the territory dealt with included, first of all, the very important industrial area; secondly, a considerable extent of territory, still rural in character, which contained coalfields which had not yet been developed, and, thirdly, territory of a purely rural character. Had this been done, then at any rate the Supreme Council would have had before them all the aspects of the question. It was for them, and not for the commission, to determine by which they would be influenced.

7. When the report of the commission came up for discussion at the Council of Ten, as is well known, it was unfavourably criticised by the Prime Minister on the ground that it assigned too many Germans to Poland, and was therefore referred back to the commission; the commission, however, refused to make any alterations. Ultimately the frontier suggested was accepted, with the single exception that Danzig was not assigned absolutely to Poland and that a plebiscite should be held in the Marienwerder district.¹¹ It is important

⁹ Of June 16, 1919. See *B.F.S.P.*, vol. 112, pp. 244–316.

¹⁰ A pencil correction on the original substituted 'territorial' for 'Boundary'.

¹¹ For documents relating to the plebiscite at Marienwerder, see Vol. X, Chap. VIII.

and remarkable that at this stage the Prime Minister does not seem to have paid any attention to the Upper Silesian problem. Apparently his attention had not been directed to it. Even on the simple ground of the number of Germans (over 500,000) to be assigned to Poland, the decisions of the committee were obviously open to criticism, and it is remarkable that in this area the territory and population transferred to Poland by the commission was actually slightly larger than that which was claimed by the Poles themselves. The result was that, so far as this district goes, the report of the commission became the basis of the first draft of the conditions of peace as presented to the Germans, and this conclusion had been reached without any serious consideration being given to the question.

8. It naturally followed that in their written notes criticising the terms the Germans paid special attention to Upper Silesia,¹² and, in this case alone of all the territorial settlements, were able to make out a very strong case. On the purely ethnographic question, they disputed the justice of assuming that the population, though they spoke a Polish dialect, were therefore to be classed as Poles, and laid stress on the historical and economic points. It was this German protest which for the first time caused special attention to be directed to the problem, and it became involved in the very serious crisis which arose. It seemed as if the consent of the Germans to sign the treaty would depend on whether or not the Upper Silesian decision was modified.

9. The question was: What modifications, if any, must be made in the original terms of peace? A special meeting of the British Empire Delegation with the British Cabinet was summoned to Paris on the 1st June to discuss the situation.¹³ It was agreed that it was essential that, throughout, the terms must be such as could be completely justified, otherwise it would be impossible to resort to a renewal of the war in order to impose them on Germany if she refused to sign. On this there was practically complete unanimity, and, with the doubtful exception of Mr. Hughes,¹⁴ every member of the delegation and the Cabinet agreed that modifications must be made, and that among the clauses to be altered must be those dealing with the frontier of Silesia. It was also agreed to accept the proposal of the Prime Minister that a plebiscite should be held here. [*sic*] Supported by this the Prime Minister returned to the Council of Four and there presented his demands.

10. On the 3rd June a very interesting and important discussion took place in the Council of Four. President Wilson first drew attention to two provisions in the treaty which clearly required amendment. The first was that by which the general clause permitting the Allied and Associated Powers to expropriate the rights of German nationals in their own territory and use the funds so obtained to indemnify their own nationals for losses in German territory was made applicable to the German territory which was transferred to Poland. The result of this would be that the property of the mine-

¹² See *F.R.U.S. Paris Peace Conference, 1919*, vol. vi, pp. 833-5.

¹³ For a summary of the discussions at this meeting, see D. Lloyd George, *The Truth about the Peace Treaties*, vol. i, pp. 688-720.

¹⁴ Australian Prime Minister and Attorney-General.

owners in Upper Silesia could be confiscated by the Polish Government. This, clearly, would be unjust. With this the Prime Minister agreed. It may be noted that from the course of the conversation it is apparent that both M. Clemenceau¹⁴ and Mr. Lloyd George believed that the mines in Silesia were Crown property; as a matter of fact, only a small proportion of them are. It is curious that so important a matter should be discussed on such imperfect information. The next point was the desirability of introducing a provision by which, if Silesia were transferred to Poland, Germany would be able to get her coal on the same terms as Poland from the transferred mines. This is the first recognition of which there is any record as to the importance of the coal question.

11. After a discussion on other minor frontier alterations, the main point then came up. The Prime Minister proposed that there should be a plebiscite in Upper Silesia. This was strongly opposed by the President and a prolonged conversation took place between the two. President Wilson took up the position that a plebiscite was not required by the Fourteen Points and was in itself undesirable; it would be impossible (in view of the disturbed condition of the country) to get a fair vote; if there were Allied occupation and the vote went against Germany, the Germans would always refuse to accept the verdict. He laid great stress on the intimidation both by the German officials and the large landed proprietors, and quoted Dr. Lord, the chief American expert on Poland, to support the two propositions, first, that the majority of the population was Polish, and, secondly, that in a plebiscite they would probably vote German. Mr. Lloyd George answered that 'his understanding of self-determination was that of the people themselves and not that of experts like Mr. Lord; he was simply standing by President Wilson's Fourteen Points and fighting them through. He could not accept the view that any experts could judge better than the people themselves.' The Prime Minister pointed out that on the doctrine proposed by the President, Alsace ought not to go to France since its population was of German origin. To this the President, however, was able to answer that Alsace-Lorraine was expressly dealt with in the Fourteen Points; the two cases were different and there were specific articles in the Fourteen Points to meet the special conditions; the settlement was based on these rather than on general principles. The President read out No. 13 of his Fourteen Points and said all that had to be established under this was that the population of Silesia was indubitably Polish. We knew the ethnographical facts and there was no need to commit¹⁵ a plebiscite. Mr. Lloyd George suggested that before the Polish Commission met, the case of the transfer of Silesia to Poland had not been in people's minds. To this President Wilson answered—and the matter is of very considerable importance for its bearing on the whole problem—that it had been generally in his own mind. In Washington he had seen M. Paderewski¹⁶ and M. Dmowski¹⁷

¹⁴ French Prime Minister and Minister for War.

¹⁵ In *F.R.U.S.*, op. cit., p. 154, the text reads, 'to add a plebiscite'.

¹⁶ Polish Prime Minister and Minister for Foreign Affairs, January–December, 1919.

¹⁷ Chief Polish delegate to the Peace Conference.

and had asked for their views about Poland. As a preliminary, he had asked for an understanding that he and they meant the same thing by Poland. They had sent him maps and papers demanding very much more than Poland was now being given, but, when he spoke of territory which was unmistakably Polish, he included generally Upper Silesia.

11 A. The position taken up by the President was a very remarkable one, and he continued the controversy with singular persistency to the very end. Even after the report of the commission determining the conditions of the plebiscite was brought before the Council of Four, he again reverted to the point that a plebiscite was quite unnecessary. He specially urged that, at any rate, the Germans had no right to complain of the decision which had been taken or to demand a plebiscite; it was entirely in accordance with the Fourteen Points that Silesia, which had a Polish population, should be assigned to Poland. Now, of course, the opinion of the President on the interpretation to be given to his own speeches must always deserve serious attention, but the attitude which he took up is one which cannot be defended and is difficult to explain. The Fourteen Points, having been accepted by the Germans as the basis of the peace, had thereby become the basis of a legal agreement, and they must be interpreted not merely according to the intention of their author, but in accordance with the obvious meaning that would be attached to them by others. The essential words are that the restored Poland is to include that territory which is inhabited by 'an indisputably Polish population.' What is 'indisputably Polish'? What is meant by Polish? The statistics showed in this case that in certain districts of Upper Silesia, on the whole, there was a majority, but not an overwhelming majority, of people whose original home speech was a Polish dialect; of these, however, a large proportion also habitually spoke German. Ethnographically there is no doubt that the mass of the population was originally Polish, and not German. But it clearly could not be taken to follow that for political purposes it must be assumed that for this reason alone the population was Polish. In cases of doubt the Fourteen Points must be interpreted by his other speeches, which were included in the agreed terms of the peace, and they specifically referred to the wish of the population as a matter to be taken into consideration in determining the frontiers. It was quite possible that, though the majority of the population were Polish in origin, they were not Polish in sentiment. The only evidence on this point was that to be derived from the elections, and in five districts candidates had been returned who had formed part of the Polish Party in the Reichstag. But it could not be assumed from this that those who had voted for these candidates would necessarily vote for separation from Germany and attachment to Poland. The only method of discovering the essential facts was by putting the direct question to the people themselves.

11 B. The question is one of very real importance in its bearing on the whole attitude of the President towards the peace settlement. No one can read the discussions which took place on this and kindred problems without feeling that, no doubt unconsciously, he claimed for himself personally the

right to give the final decision. He had no doubt honestly come to the conclusion that the population was Polish; having done so, he refused to recognise that any doubt could be entertained, for the simple reason that he himself had none. The contrast between his attitude and that of the Prime Minister is very instructive. He, working to a large extent in solitude, having made up his mind on a subject with regard to which he really had very little knowledge, clung to his opinion with unshaken consistency. The Prime Minister approached these problems in frank and open ignorance. It was only when a concrete and definite political difficulty arose that he took up and seriously applied his mind to any of them. When he did so, however, it was quite untrammelled by prejudice or principle; he could deal with it with a completely open mind; he did not shrink from certain appearance even of inconsistency, and could therefore, on a re-examination, adopt what, in view of all the practical considerations, seemed at the moment the wisest course.

11 C. As there was a difference between the President and the Prime Minister, the final decision really rested with M. Clemenceau. As he repeatedly said, he disliked the idea of a plebiscite and did not think it was necessary, but he seems to have recognised that, on the point at issue, Mr. Lloyd George had undoubtedly the stronger case, and eventually he gave up his opposition. No doubt the governing consideration in his mind was something [which had] nothing whatever to do with Upper Silesia. Side by side with this, an intense struggle was going on in the Council of Four on the question of reparation; reparation was more important to France than was Upper Silesia; he therefore gave way on the latter point, as by doing so he would be more likely to get British support against the President on the former, and, after all, it might be possible to get Silesia for Poland even with a plebiscite.

11 D. The important thing to remember is that, though the question was argued, to a large extent, on general principles, the adoption of the plebiscite was really a political device to overcome an immediate practical difficulty. The cardinal point was, would the Germans sign and what would happen if they refused to sign? Not only the Prime Minister, but the whole of the British Empire Delegation and the Cabinet agreed that some concessions must be made in order to induce them to sign, and, in particular, that if the Germans, while refusing to sign, gave the cession of Upper Silesia as their reason, it would not be possible on this ground to renew the war and send the British army into Germany. The concession, therefore, was really of the nature of a bargain with Germany. The Germans, by signing, accepted our offer; it follows from this that there is an absolute obligation honestly to carry out our side of the bargain—that is, to abide by the result of the plebiscite.

12. Eventually Mr. Lloyd George carried his point, and it was determined to appoint a special commission to which should be entrusted the functions of—

- (1) Arranging the rectification on the other portions of the eastern frontier of Germany;

- (2) Making provision for acceptance by Germany of a plebiscite for the portions of Upper Silesia transferred to Poland by the clauses of the draft Treaty of Peace with Germany. The committee to draw up the general conditions of the plebiscite;
- (3) Making provision for ensuring to the inhabitants of Germany the right to purchase coal from the coal mines of Upper Silesia on the same terms as the inhabitants of Poland in the event of a plebiscite resulting in the transfer of the greater part of Upper Silesia to Poland;
- (4) Making modifications in the application to Upper Silesia of the economic clauses so far as relates to the treatment of the property of German nationals.

13. The Commission met on the 6th June, and completed its work on the 10th June, on which date it presented its report to the Supreme Council.¹⁸ The position of the British delegate on the commission was not an easy one, owing to reasons explained by Mr. Lloyd George to the British Empire Delegation on the 10th June: 'As far as Silesia was concerned, the plebiscite had been accepted in principle, but rather unfortunately the question had been referred to a committee consisting substantially of the persons who had made the original proposals for the frontiers in Silesia. The United States representative on this committee was a very strong advocate of Polish claims, and the French representative was dominated by the idea that it was necessary to take as much territory as possible from Germany in order to weaken Germany, not recognizing in any way that in some cases this course would weaken the State to which the territory was given.' In fact, the other three members of the committee, having been members of the original Polish Commission, the proposals of which were now being modified, were unanimous in objecting strongly to the modifications, and used every effort to prevent them being made effective. This was apparent with regard to the other modifications of the German frontier which the committee first considered, and on which the British representative found himself repeatedly in a minority of one, and had great difficulty in getting the substantial changes made. As soon as the committee turned to the Upper Silesian question the chairman proposed that their first duty was to put on record the reasons why a plebiscite should not be held, and he laid before the commission a draft report in this sense. The American representative stated that he considered the holding of a plebiscite a scandal and an outrage. It was necessary, therefore, to insist that this was beyond the functions of the commission. The chairman then made another proposal: that all the five districts which had returned Polish members to the Reichstag should be eliminated from the plebiscite area on the ground that practically a plebiscite had already been taken there. It was necessary also, on the same ground, to refuse assent to this proposal. Throughout the discussion Dr. Lord continued to give expression to his views that though the population was Polish, they would be

¹⁸ *Note on original*: 'The members of the committee were as follows: General Le Rond, for France (Chairman); Mr. Headlam-Morley, for Great Britain; Dr. Lord, for United States of America; Marquis della Torretta, for Italy.'

so terrorised, both by the large landlords and by the military bands which at that time occupied the districts, that a free vote could not be obtained.¹⁹

14. These difficulties having been removed, it was possible for the commission to proceed with its real duties of drafting the regulations under which the plebiscite was to be held. It was first agreed that the plebiscite regulations for Allenstein and Slesvig, which had already been incorporated in the draft treaty, should be taken as the basis, this being modified only so far as the peculiar circumstances rendered desirable. It must be noted that this decision carried with it one the importance of which was not fully recognised at the time; the existing regulations already gave the vote to all those who had been born in the district, even if they were not resident there; this was adopted practically without discussion, and this is the origin of the question of the out-voters, which later was to assume such prominence. It is important, therefore, that it should be on record that it was introduced by the chairman of the commission.

15. It was generally agreed that, in view of the size, importance and the disturbed state of the area, a longer period would have to elapse than in the other plebiscite areas, that there must be occupation by Allied troops and that the Plebiscite Commission should have more extended powers. Draft regulations were laid before the commission by the French and British representatives, but on most points an agreement was arrived at, and the regulations, as reported to the Council of Four and embodied in the treaty, are based on a combination of the two drafts. Two points only seem to require specific mention.

16. The first is the length of period which should elapse before the plebiscite took place. The chairman suggested not less than three years; the British representative suggested six months. The general view of the committee seemed to be that a long delay would be favourable to the Poles, and, frankly, their object was to arrange the matter in the way the most advantageous to Poland; great stress was laid on the terrorism exercised by the German extremists, and as in their view Polish national feeling was growing, the longer the delay the stronger it would have become. The view of the British representative was that their duty was to get a *bona fide* expression of present opinion and not to wait for later developments; that six months would be sufficient to restore order, but in particular it was to the advantage of everyone to get the question settled as soon as possible, and, moreover, the British Government would be very reluctant to have troops shut up in the centre of the continent of Europe for any considerable period. Eventually the majority adopted the formula that the period should be not less than eighteen months nor more than two years. The British representative, after discussion with the

¹⁹ *Note on original*: 'It must be remembered that at this time, according to all accounts, Upper Silesia was in a state approaching anarchy, and the population were terrorised by the Soldiers' Councils and bands of armed men. These, though avowedly partisans of the more extreme Socialist and Communist doctrines, were probably working in collusion with the German Nationalists, and their influence would be used against annexation to Poland. It was freely said that if the country was given to Poland direct there would be a very serious armed revolt.'

Prime Minister, made a reservation in order that the point should be determined by the Supreme Council. The future history of it is curious. The Prime Minister, after hearing the chairman, did not contest the point. A few days later, however, M. Paderewski explained to the Council that though the decision to have a plebiscite was a very serious blow to Poland, yet if a plebiscite was to be held he hoped it would be taken within three to six months of the peace in order to quiet things down. In consequence of this it was officially determined that the plebiscite should be, as stands in the treaty, 'not sooner than six months or later than eighteen months after the establishment of the commission in the district.'

17. More important was the question as to the method in which the votes should be counted. The Allenstein regulations said:—

'The result of the vote will be determined by communes ("Gemeinde"), according to the majority of the votes in each commune.

'On the conclusion of the voting the number of votes cast in each commune will be communicated by the commission to the Principal Allied and Associated Powers, with a full report as to the taking of the vote and a recommendation as to the line which ought to be adopted as the boundary of East Prussia in this region. In this recommendation regard will be paid to the wishes of the inhabitants as shown by the vote and to the geographical and economic conditions of the locality. The Principal Allied and Associated Powers will then fix the frontier between East Prussia and Poland in this region.'

The general intention of this seems clear. The object is to get the fullest information as to the wishes of the inhabitants and then to fix the final frontier as nearly as possible in accordance with this wish, a reasonable latitude being allowed so as (1) not to leave enclaves or projecting portions of territory on either side and (2) not to separate from one another communes which, owing to economic reasons—for instance, means of communication, especially railways, water supply, industrial conditions—clearly cannot be separated from one another. This certainly seems to have been the right principle to apply to predominantly rural districts, such as Slesvig or Allenstein (it may be suggested that in place of the word 'determined' in the first sentence it would have been better to have the word 'counted'). The question then arose whether a similar system should be applied to Upper Silesia, or whether a common vote should be taken either for the whole or for larger areas. It was the wish of the Prime Minister, conveyed personally to the British representative, that there should be a common vote for the whole area. He therefore raised the question at the commission, but met with no support from any of his colleagues, and, after informing the Prime Minister of his intention by letter, did not press the matter or make a formal reservation on it. It would probably have been wiser to have taken the latter course in order that the matter, which was one of great importance, should be brought up for consideration at the Council of Four. The reasons why the British representative did not take this course were two: (1) The whole

situation of the commission was so difficult, and the points of dispute were so many, that it seemed very undesirable to add to them unnecessarily; (2) it would clearly have been impossible to get assent to a common vote for the whole area without at the same time revising the area in which the plebiscite should take place, and if there had been a common vote the result might easily have been that, while there was a small majority for Poland on the whole (as it was at this time anticipated), certain districts to the west, which were overwhelmingly German in sentiment, would have been forced to go to Poland in flagrant opposition to their real wishes. Moreover, the chief object was to make the regulations of such a kind that neither party could complain of any injustice; the whole object of having a plebiscite at all was to get a decision which must be accepted by both sides. This result would not have been obtained if the standard regulations adopted for other areas, which were not so highly contentious, had been changed. If there had been any change it would have had to have been on the basis of making the industrial district a single area, but to do this would have required much more time and much more detailed knowledge than was available. It would have been necessary to have had a very careful scrutiny of the extent of the mining district, the nature of the communications, water supply, &c.; this should all have been done months beforehand; it was too late to begin; it was essential that the whole work of the commission should be completed within a few days.

18. A third point which came up was whether the commission should be appointed by and work under the authority of the principal Allied and Associated Powers or the League of Nations, and to which of these two authorities the responsibility of finally drawing the line should be assigned. This was left by the commission to the Council of Four. No formal discussion seems to have taken place on the matter at the Council, but in the treaty the words 'principal Allied and Associated Powers,' which were included in the draft articles as sent up by the commission, were allowed to stand.

19. In addition to the regulations of the plebiscite, the commission had the duty of drafting the clauses in the treaty on the financial and economic points brought up by the President. They caused little difficulty. As to the coal question, an agreement was come to between British and American economic experts privately, and their proposals were accepted almost without demur by the commission. The financial question led to [a] more important change in the treaty; the original proposal had been merely that any Upper Silesian territory which might be transferred to Poland should be freed from the operation of those financial clauses which would have empowered the Polish Government to confiscate the property of German private individuals. It became obvious, however, as soon as the question was approached, that every reason for relieving Upper Silesia of this burden applied with equal force to all other territories transferred from Germany to Poland; it was clearly an impossible thing to give to the Polish Government, because it received German territory, powers which had originally been intended to apply only to belligerent Governments as against German aliens resident in

their territory. This change was therefore effected, and by it one of the most serious blots in the treaty was removed.

20. The report in its final form came before the Council of Four on the 11th June. Before the discussion in detail President Wilson again stated that he did not think in principle that a plebiscite was necessary. No. 13 of the Fourteen Points was quite explicit on the point. As against this, Mr. Lloyd George took the view that, if the Germans should break off negotiations on this point, he would not feel justified in ordering British soldiers to fight just because a plebiscite had been refused. The situation remained as it had been before, Mr. Lloyd George insisting, as against President Wilson, on carrying out the principles enunciated in his own speeches. After this discussion had taken place, the Council of Four met the members of the committee. Mr. Lloyd George explained that he did not intend to press the short period of the plebiscite. General Le Rond then brought forward his point that it was not necessary to have a plebiscite in those areas which had already elected Polish members. As against this it was easy for Mr. Lloyd George to point out that the fact that they had voted for Polish members did not necessarily mean that they wished to be separated from Germany. He illustrated the point by reference to Ireland. 'Until the Sinn Feiners had come on the scene, separation had never been claimed for Ireland, and his impression was that it had never been claimed for Upper Silesia.' He compared the position to that of the Irish Party in the United States of America, which was affiliated to the Irish Party in Ireland, but did not work for independence from the United States of America. The British Empire was well accustomed to such movements. The members of the commission having then withdrawn, the Council discussed the draft articles in detail and approved them for insertion in the revised treaty with some small modifications. A few days later the changes made in the treaty were explained by the Council of Four to M. Paderewski, who expressed his deep disappointment and made clear how deep the blow would be to Polish sentiment.²⁰

J. W. HEADLAM-MORLEY

²⁰ Sir E. Crowe minuted on April 9: 'These are valuable papers both from the historical point of view and as regards the constructive suggestions put forward.'

'As regards the latter, I am not, however, convinced that there is any case for seeking a solution outside the treaty, or for further complicating the solution of the frontier-line difficulty in Upper Silesia by dragging in Eastern Galicia.'

'If there is to be any settlement outside the treaty, I can see only one way of achieving it, and that is by a direct amicable understanding between Germany and Poland. But although, according to a communication that has reached us from Rome (see my conversation with M. de Martino [Italian Ambassador at London] today) such an arrangement is said to be in the mind of the German government, I very much doubt its materializing.'

'In any case, we had best wait in the first instance for the recommendations of the Plebiscite Commission.'

Lord Curzon added on April 12: 'Mr. Headlam-Morley has written as usual a very able analysis of the Upper Silesian case. But I should not like to accept without reserve all his conclusions.'

*Earl Curzon to Lord D'Abernon (Berlin)*¹*No. 373 [C 7278/92/18]**FOREIGN OFFICE, *April 7, 1921*

My Lord:—

The German Ambassador came to see me this afternoon armed with a great sheaf of documents, which I realised at once portended an argument of a serious and probably a statistical character. It transpired that he desired to make to me a formal representation, identical with one which is being made simultaneously by his Government at Paris² and at Rome, in favour of the assignment to Germany of the whole of Upper Silesia.

The reasoning with which Herr Sthamer supported his proposal is already well-known from the Press, and may be briefly summarised as follows:—

He first gave me the total numbers of those who had voted on both sides, indicating, as is well-known, a very large German majority. He then gave me the numbers of the Communes, which, although he did not contend that this was an infallible test, yet testified to an even larger German preponderance.

He argued that this German majority would have been very much greater than it was, had it not been for the ruling that no one should be allowed to vote who had come into the country since 1904, and had it not been for what he alleged to be the gross intimidation, terrorism and cruelty, which had been exercised by the Poles upon the German section of the population.

He produced a great map, drawn up and coloured with the customary German precision, indicating the ratios of the population in every part of the voting area; and he then proceeded to develop his main proposition, the details of which I need not recapitulate, namely, that on historical, economic, industrial and political grounds, it is not only desirable, but indispensable in the interests not only of Germany, but of Europe, that the whole of this area should remain German rather than become Polish. He laid stress on the fact that the industrial connections of Upper Silesia had always been with Germany, rather than with Poland; that their severance from the former would mean the institution of economic and customs barriers of a very invidious and impracticable character.

He argued that the economic life of these areas would be ruined by the effects of a debased Polish currency, and he declared that, if deprived of the whole of Upper Silesian coal, Poland would still be left with mineral resources in the South-East, which were more than adequate to meet all her needs, even if she had hitherto shown a complete incapacity to develop what she had already got.

¹ H.M. Ambassador at Berlin.

² In his despatch No. 1052, not printed, of April 7, Lord Hardinge reported that he had been visited that afternoon by the German Ambassador in Paris, who had come to speak on the Upper Silesian question and had 'produced a vast quantity of documents'.

Finally, he appealed to me, on the ground that if Upper Silesia were given to Germany her position as regards reparations would become infinitely more easy, and she would be enabled without delay, and—as he inferred—without difficulty, to fulfil her pledges under the Treaty of Versailles.

There was, he assured me, no lack either of willingness or of intention on the part of his Government to evade their obligations in this respect. The question was not one of willingness, but of ability, and if Upper Silesia were added to them, the Powers would soon be made acquainted with the satisfactory proposals that would be made.

I listened to the Ambassador's demonstration in silence; the only observation, indeed, that I made, was that I thought that in their own interests the German Government had been rather foolish to reject the proposal, which had been made by the British Government and carried at the Conference in London, that the outvoters, instead of being transported by train to the districts where they voted, should have recorded their votes in the occupied territories in the neighbourhood of the Rhine.³ Had this proposal been adopted instead of being rejected by the German Government, there would have been no reason to complain of intimidation and the number of German voters would probably have been greater.

As regards the present and the future, His Excellency must be aware that the matter was for the moment in the hands of the Silesian Commission, whose duty it was, under the terms of the Treaty, to make a report and to determine the frontier, if they so decided. Not until their report had been received could the Governments seriously consider the matter or form an opinion; all that I could promise him at the present stage was to make a careful study of the arguments and documents which he had submitted.

Before leaving, Herr Sthamer asked me whether His Majesty's Government would consent to receive a deputation of prominent persons, representing the various interests and points of view in Silesia, to state their case.

I said that I thought this would be highly improper. Our experience of the various individuals and bodies, who descended upon us at conference time and rendered existence almost intolerable, was not such as to encourage a repetition of any such experiments, and, therefore, if this were admitted before we had even got the material upon which we were expected to decide, it would constitute a serious abuse. I could not hold out, therefore, [? any hope] that the Ambassador's request would be granted.⁴

Upon his remarking that the Poles were contemplating sending a delegation of a similar character to state their case, I said that the same ruling would apply to both. If a hearing were refused to one party, it would equally be

³ For this proposal, see Vol. VIII, No. 96, and Vol. XI, No. 93; for its rejection by the Polish and German Governments, see Vol. XI, Nos. 100 and 108.

⁴ When the German Ambassador repeated this suggestion in an interview with Sir E. Crowe on April 11, Sir E. Crowe said it was a proposal which seemed to him 'not merely useless but altogether objectionable'.

refused to the other. But in either case, the moment for considering such a proposal had not come.

I am, &c.,
(For the Secretary of State)
CHARLES TUFTON⁵

⁵ Assistant Secretary, superintending the Central European Department of the Foreign Office.

No. 15

*Record by Sir E. Crowe of a conversation with the
Italian Ambassador*

[C 7981/92/18]

FOREIGN OFFICE, *April 9, 1921*

The Italian Ambassador read to me to-day a telegram from the Italian Minister at Warsaw, according to which the German representative at that capital had approached the Polish Government with a suggestion that the subject of the territorial settlement to be made as a result of the plebiscite in Upper Silesia might form the subject of a direct understanding between their two Governments.

Count Sforza had immediately telegraphed to Warsaw to give expression to the opinion that any such amicable arrangement between Germany and Poland would be most welcome to the Italian Government. In reply to M. de Martino's enquiry, I said I felt convinced the British Government would take the same view of such a consummation.¹

¹ Later, on May 5, Mr. Vansittart, Private Secretary to Lord Curzon, recorded that he had been informed on very reliable authority 'that the Germans had recently approached the Poles through a confidential agent suggesting a condominium for Upper Silesia, the inducement for the Poles being the avoidance of the heavy payments they would otherwise have to make' (see No. 17, n. 5). Mr. Gregory, Assistant Secretary in the Foreign Office, superintending the Northern Department, added that the Polish Minister for Foreign Affairs, Prince Sapieha, who was then in London, had that day mentioned these approaches which 'were made to him personally by a German agent called (I think) Mühlestein'. Lord Curzon, however, minuted that he had refused to discuss Upper Silesia with Prince Sapieha 'as I had refused to receive a delegation from the Germans, and thought that similar treatment, pending a decision, should be extended to both parties'.

No. 16

*Record by Sir E. Crowe of conversations with the Polish Chargé d'Affaires
and the German Ambassador*

[C 7633/92/18]

FOREIGN OFFICE, *April 11, 1921*

The Polish Chargé d'Affaires came to speak to me to-day on the subject of Upper Silesia, respecting which he had sent me a number of pamphlets and maps. He said that his Government felt much alarmed at the reports, which

were widely spread, that His Majesty's Government had decided in favour of handing over the whole of Upper Silesia, undivided, to Germany. They desired, therefore, to receive an assurance that His Majesty's Government would not adopt such a policy, which it was claimed was contrary to the provisions of the treaty of Versailles [*sic*].

I said M. Ciechanowski might assure his Government that there was no truth in any statement which ascribed to the British Government any definite decision in the matter. His Majesty's Government considered it their duty not to form any opinion, or to decide upon any line of policy, until they had received the report of the plebiscite commission which was charged with the duty of advising the allied Governments. M. Ciechanowski readily accepted this statement, which he declared would certainly relieve Prince Sapieha's mind.

He then entered into the arguments, with which by now we are familiar, in favour of giving to the result of the plebiscite an interpretation which would justify us in compelling the cession to Poland of the largest [*sic*] part of Upper Silesia, and he handed to me a map on which the line of division is traced in accordance with the views put forward by M. Korfanty. This line follows the course of the Oder from the south at Oderberg to within a short distance of Oppeln, and then cuts across Upper Silesia in a north-easterly direction. It would give roughly two-thirds of Upper Silesia to Poland, including the whole of the industrial district.

I declined to enter into any discussion of this proposal, and merely promised to have the material furnished to us by the Polish Government carefully considered.

The Polish Chargé d'Affaires had hardly left me when the German Ambassador entered, and proceeded to address me on the same subject.¹ I used the same arguments with him as to the impossibility of our discussing any policy or solution until the report of the commission was received.

E. A. C.

¹ See No. 14, n. 4.

No. 17

Memorandum by Major Ottley¹ respecting the Economic Aspects of the Upper Silesian Question

[C 7462/92/18]

FOREIGN OFFICE, April 11, 1921

The result of the plebiscite in Upper Silesia has been such as to give no clear index of itself as to the frontier to be drawn between Germany and Poland. The following memorandum is designed to examine the economic

¹ Major L. E. Ottley, who had been British district controller at Beuthen in Upper Silesia until his resignation from the Commission in November 1920, was retained in the Foreign Office until his death in August 1921.

factors which may be considered, in conjunction with the results of the plebiscite, with a view to arriving at an indication—by indirect means—of the true wishes, or interests, of the population of Upper Silesia. It is divided into the following parts:

I. Upper Silesia.

- (a) domestic,
- (b) dependence on Poland and Germany,
- (c) possible results of transfer.

II. Poland. Economic importance of Upper Silesian solution.

III. Germany. Economic importance of Upper Silesian solution.

IV. General. Economic importance of Upper Silesian solution.

The spirit of article 88 appears to be that the solution is to be found in accordance with the right of self-determination of nations. Therefore the primary consideration is the future welfare of Upper Silesia. The interests of Poland and Germany, on which the rival claimants concentrate, are, in reality, secondary.

The general conclusions drawn in the following notes are:—

- (1) Upper Silesia, economically, relies on Germany rather than Poland.
- (2) On the other hand, the Poles have more need of Upper Silesia than have the Germans.
- (3) While it appears that both Germany and Poland are inclined to exaggerate the economic advantages accruing to them from the possession of Upper Silesia, its economic importance to Europe is great and raises the question of the political advisability of allowing Germany to retain it.
- (4) That the fairest solution appears to be that foreshadowed in Foreign Office telegram No. 24 of April 3rd.² The quantities of coal now produced by the areas destined under this scheme for Poland are probably greater than the present allotment to Poland of Upper Silesian coal. For convenience, the detailed economic arguments are attached as appendix 5 q.v.³
- (5) That in the detached minorities a further referendum might be held to avoid the establishment of a virulent irridenta in Poland.

PART I. UPPER SILESIA POINT OF VIEW

(a) *Domestic*

1. Economically Upper Silesia is divided into three zones, consisting of:—

- (a) The industrial area proper, which is included in the triangle containing the Kreise of Gleiwitz town, Beuthen, Kattowitz and Königshütte.
- (b) Supplementary industrial districts, which are dependent upon or complementary to (a). These include:
 - (1) Outlying industrial areas (parts of Rybnik, Tarnowitz and Pless).
 - (2) Railway and canal junctions, *e.g.*, Peiskretscham, Kosel.
 - (3) Residential districts whose population is in the main employed in the industrial districts.

² See No. 6, n. 2.

³ Not printed.

(c) Areas which, while finding the market for their produce, labour, &c., in the industrial area, are not entirely dependent upon or essential to it.

The distinction between (b) and (c) is, of course, a question of degree of inter-dependence and must be examined in detail for each individual district.

2. The main bulk of developed resources are to be found in the industrial area proper, but the coal reserves of Pless and Rybnik, as yet unmined, are colossal. The prospect of opening these reserves up, in the near future, is remote because of the exorbitant price of labour, machinery and building, which would render them unremunerative. The mines of Rybnik alone produced (1919) 14% of the total Upper Silesian output, including the best coking coal.

3. The indivisibility of the industrial area proper is contested by neither of its claimants, nor by any impartial observer. Central electrical installations at Zabrze and Chorzow feed the whole area, and the mine drainage and water system of the area is uniform and complex owing to the absence of rivers in the densely populated district. The railway systems, labour and financial interests are in practice indivisible. The population of this area is said to be the densest in Europe. It is already so intensively mined as not to be capable of much development.

(b) *Dependence of Upper Silesia*

1. The relative dependence of Upper Silesia on foreign countries for her staples is shown in appendix 1.³ From these figures it will be seen that Upper Silesia before the war imported a higher proportion of her staples from Russia, including post-war Poland, than from post-war Germany.

2. But virtually all the skilled labour and directorate is German-trained, and a large proportion is said to be German immigrant. This fact is admitted by the Poles, who cannot replace them from Polish sources and have even circularised the present holders of posts to enquire whether they would remain under Polish rule. The Poles claim that 60% of the directorates have answered in the affirmative, but this is strenuously denied by the Germans, and appears to be improbable in view of their recent treatment at the hands of their Polish subordinates. Poland has not the necessary industrial districts to serve as training grounds for skilled labour, and probably will not have them for many years to come.

3. Moreover, in addition to the commodities shown in appendix 1,³ Upper Silesia imports the bulk of her textiles, machinery and ingredients for explosives from Germany. These are for the moment of great importance owing to the fact that the war has used up pre-war stocks and installations.

4. The principal markets in which Upper Silesia disposes of her products are given in appendix 2.³ From these figures it can be seen that Germany represents a more important market for Upper Silesia than does Poland.

5. When the facts of paragraphs 2 and 3 above are considered with those of appendices 1 and 2,³ it must be admitted that Germany represents a more important source of supply and market than Poland. But this is in part due

to her development as one cog in the German industrial machine. The communications to east are very indifferent in comparison with those to west and south, and before the war the Russian protective tariff impeded development in that direction. Finally the financial connections are entirely German and the business of Upper Silesian industries is largely transacted in Berlin.

(c) *Results of Transfer*

(i) *In toto*

1. Upper Silesia must reckon with the antagonism of Germany in the event of her transfer to Poland, and the manifestations of this may be divided under two heads.

(a) Such as would have a repercussion on German trade or interests. For example, she could withdraw financial facilities, skilled labour and directorates and cease supplying mining machinery, explosives, etc. But she would have to find other markets for these commodities and absorb the released officials in her own reduced industrial districts. The resultant reduction of Upper Silesian products would damage those German industries which are dependent upon Upper Silesia for supplies, but the extent of the damage depends upon the reduction, if any, made in the Allies' demands for deliveries in kind on account of reparations. Any such reduction would enable the deficits to be partially made up from other sources.

That they would, however, be applied in some measure appears probable because, even during the plebiscite period, German trade has in many respects treated Upper Silesia as a separate country.

(b) Such as could be applied without direct injury to German interests. For example, Germany could divert the Swedish iron ore supplies to other areas. A Polish authority (Dr. Janicki) gives the deficit of post-war German iron ore at 14 millions in a total consumption of 20 millions. Or, she could cease to supply scrap metal, which is essential to the foundry industry.

2. The application of all or any of the above measures would have serious results for Upper Silesia. Poland could not replace the directorates, finance the country or produce the necessary mining machinery. The Poles claim that they could produce the iron ore, but Polish ore is only 25-30% as against 65% Swedish. She claims to have supplied, in 1916, 16% of the total ore smelted. As Upper Silesia only produces 22% herself, there still remains a deficit of 62%, to cover which means that Poland's export of ore to Upper Silesia must be increased five times. She could not supply the scrap nor import the Swedish ores.

(ii) *Partial Transfer*

If the solution foreshadowed in Foreign Office telegram No. 24 of April 3 were put into effect, the above considerations would apply to the detached area, but very much more important considerations would be added.

1. The detached parts would be cut off from the industrial entity of which they have hitherto formed part, and would suffer accordingly.

2. The possibility exists that the minority detached would have preferred to remain with Upper Silesia in Germany than to go to Poland without the rest of the country. The consequent unrest and disturbance would preclude Poland's reaping the benefit of her partial success. For the Polish-speaking Upper Silesian differs almost as much from the Pole proper as from the German.

3. The detachment of the Rybnik coke area would have serious effects on the iron foundries, unless they could arrange for an increased supply from Germany or some other source.

[PART] II. POLAND

The main factors in the economic importance of Upper Silesia to Poland are as follows:

1. Poland is relatively rich in potential wealth, but lacks developed resources. Should she obtain only areas of undeveloped mines she must be regarded as having failed. Such an allotment would, indeed, be a source of embarrassment rather than wealth (*vide* para. 5, *infra*).

2. Appendix 3⁴ shows the dependence of Poland on the products of Upper Silesia. Without sufficient developed mines she cannot satisfy her present coal requirements, still less build up her industries.

3. The possession of Upper Silesian iron foundries would stimulate the development of Polish iron deposits, while on the other hand they would compete with her existing foundries which are said to be none too flourishing.

4. Should Poland not be in a position, at least, to claim victory the effect on her public opinion and finance would be very serious, for she has long been led to expect that success would solve all her financial difficulties, and public opinion has hailed the plebiscite result as a great victory.

5. Poland has undertaken to buy all state-owned mines and foundries (art. 256).⁵ The Polish Government estimate the annual income of the former alone at 72-100 million francs. Taking the capital value at ten times that sum, the debt due by Poland to the Reparations Commission would be 1,000 million francs in respect of developed mines alone. The Poles estimate the undeveloped state mining area at 300 square kilometres with seams 50 metres thick. (In this regard the extraordinary proposals put forward in the Polish memorandum dated Paris, 17th December, 1920 (attached to Warsaw despatch No. 49 of January 20, 1921), are of great interest.)⁶ The load of debt which Poland must shoulder in respect of this article must be regarded

⁴ Not printed.

⁵ i.e. the article of the Treaty of Versailles which laid down that the Powers (except France and Belgium) to which German territory was ceded under the Treaty should acquire by purchase all state-owned property in the territory.

⁶ Not printed. In the enclosed memorandum the Polish Government, having pointed out that the cession of Upper Silesia to Poland would provide an effective guarantee against German rearmament, went on to suggest that the mines (specified in great detail) should be leased to an Allied financial group who would employ part of the revenues to pay off German indemnities, and part to establish an Allied bank which would indemnify German mine-owners.

as a distinct offset to the advantages accruing. This is more particularly the case if a large area of undeveloped resources be given to Poland. The immediate financial advantage accruing from the possession of Upper Silesia appears to have been much overrated.

6. As shown in paragraph 3 of Part IV *infra* Poland could more than make good her present coal deficiencies by the acquisition of Pless and Rybnik, provided adequate arrangements could be made for communications with Poland, water supply, etc.

[PART] III. GERMANY

1. The importance attached to the retention of Upper Silesia by German propagandists would appear somewhat exaggerated. The ratios borne by the Upper Silesian output to German consumption are shown in appendix 4.⁴

2. While it is true that Upper Silesia finds her main market in or through Germany, it is also true that she represents an absorbent market for German goods. Any interference with the one would lead to instant reprisals. It is unlikely, therefore, that an economic barrier would be set up in the event of a political frontier being established between them.

3. If Poland were able to find other markets for the half-finished iron products of Upper Silesia, it is probable that at first a diversion of these commodities would dislocate German industries, particularly round Berlin. But in her own interest Poland is not likely to do so for many years to come.

4. The case of coal is covered by article 90, but in this connection the diminution of German coal requirements consequent on the return of Alsace-Lorraine to France must be borne in mind. Appendix 4, table B,⁴ shows that, even without Upper Silesia, Germany would have an exportable surplus of over 20 million tons of coal if she could raise her rate of production to pre-war standard.

[PART] IV. GENERAL

1. Upper Silesia produces some $2\frac{1}{2}$ million tons of coal per month, which represents rather more than the total deliveries demanded from Germany. The value of the coal alone at present prices is therefore 1,000 million paper marks per month, or 1,000 million gold marks per annum.

2. Czecho-Slovakia, Austria and, to a lesser degree, the other states of Central Europe are largely dependent for their coal on Upper Silesia. The possession of this country is of great political moment therefore.

3. The proposed partition gives to Germany the old mines, which are of diminishing value, while giving to Poland the newer, more extensible mines, including the best coking coal in Upper Silesia. Rybnik production was (in 1919) 3,498,000 tons out of a total Upper Silesia production of 25,932,000, *i.e.*, 14% (no reliable figures are available here for Pless). Rybnik also produces 200,000 tons of good coke yearly, and further coke-ovens are projected. The total production of Upper Silesian coal has increased by 20% since 1919, so that thus it may be estimated that Rybnik is producing now

some 4,181,000 tons per annum. Poland is entitled under present allotments to 4,800,000 tons per annum, so that her requirements (up to the limit of present allotments) would be more than fulfilled by obtaining Pless and Rybnik. German authorities put the present coal output of Pless at 7% of the Upper Silesian total, *i.e.*, half that of Rybnik.

No. 18

Mr. Max Muller (Warsaw) to Earl Curzon (Received April 14, 12.45 p.m.)
No. 190 Telegraphic [C 7668/92/18]

WARSAW, April 13, 1921, 8 p.m.

Minister for Foreign Affairs informs me that Polish Government are sending to London, Paris and Rome, deputations consisting of (? merchants) and business men, to endeavour to influence in favour of Poland public opinion and decisions of responsible statesmen on Upper Silesian questions.

Delegates for London, who have been to see me, leave tomorrow evening.

Minister for Foreign Affairs will, in all probability, himself visit the three capitals on a similar errand leaving Warsaw for Paris next Sunday.¹

I explained both to His Excellency and delegates that, in my opinion, it was rather late to undertake the task of influencing public opinion in England, though personal interviews with responsible statesmen might have some effect.

Minister for Foreign Affairs was evidently under no illusion as to small chances for obtaining any practical result either through deputations or even through his own visit.

It was quite evident that the real reason for this sudden display of activity was the attacks daily directed against Minister for Foreign Affairs and his whole administration for incompetency and neglect of national interests.

¹ *i.e.* April 17.

No. 19

Earl Curzon to Mr. Max Muller (Warsaw)
No. 96 Telegraphic [C 7777/92/18]

FOREIGN OFFICE, April 18, 1921, 9 p.m.

Your telegram No. 190 (of April 13th. Proposed visit of Polish Delegation to London in connection with Upper Silesian question).¹ Please explain to Polish Government that we consider it would be highly improper for us to receive any deputation of the kind suggested. Polish Chargé d'Affaires has been so informed.

The Inter-allied Plebiscite Commission is still sitting, and it is to them, as the body specially delegated by the allied governments to deal with the

¹ No. 18.

Upper Silesian question, that any such matters should be referred. A similar communication has been made to the German Ambassador here, who had suggested that a German deputation should be received by His Majesty's Government.²

Repeated to Paris No. 179.

² See No. 14.

No. 20

Lord Hardinge (Paris) to Earl Curzon (Received April 20, 4 p.m.)

No. 216 Telegraphic [C 8090/92/18]

PARIS, April 20, 1921, 1.20 p.m.

Your Lordship's telegram No. 180 of today.¹

I explained fully to President of the Council Your Lordship's point of view as regards reception of deputations, whether from Poland or Germany, in regard to the Upper Silesian question.

M. Briand told me that he had heard of a conference to be held by a Franco-Polish association in which Korfanty was to take part (? with a) view to influencing French public opinion, and he had at once issued instructions that this conference should not be held. He had not heard of any deputation of Polish merchants and business men coming to Paris but he would at once send a telegram to French Minister at Warsaw in the sense of Your Lordship's communication to Polish Chargé d'Affaires, which he considers to be the only correct attitude to assume under the present circumstances.

I may mention that German Ambassador in Paris approached me a fortnight ago, asking me to receive a rich German merchant from Upper Silesia in order that he might explain to me political situation in that province. I understood from German Ambassador that merchant had been sent to Paris solely with object of influencing members of Ambassadors' Conference. I refused to receive him but my Italian colleague told me that he had granted him an interview and I believe my Japanese colleague did the same.

¹ Not printed.

No. 21

Mr. Max Muller (Warsaw) to Earl Curzon (Received April 21, 4.30 p.m.)

No. 201 Telegraphic [C 8197/92/18]

WARSAW, April 21, 1921¹

Your telegram No. 96.²

I have acted on your instructions but I anticipate that Polish Minister for Foreign Affairs will argue that Articles 5 and 6 of annex of section 8 of Treaty

¹ The time of despatch is not recorded in the Foreign Office archives.

² No. 19.

of Versailles showed that decision regarding fate of Upper Silesia is to be taken by principal allied and associated powers and that therefore both sides are entitled to state their case to Governments concerned.

There is unfortunately an ineradicable impression here that in this matter His Majesty's Government are prejudiced against Poland in favour of Germany and therefore the refusal to receive German as well as Polish delegations will, I am afraid, hardly be regarded as a proof of impartiality.

No. 22

Colonel Percival (Oppeln) to Earl Curzon (Received April 23, 10 p.m.)

No. 65 Telegraphic [C 8345/92/18]

Most urgent

OPPELN, April 23, 1921, 4.3 p.m.

Final figures for plebiscite are as follows:

Oppeln town, Poland	1,098.
Germany	20,816.
Oppeln rural, Poland	24,727.
Germany	56,260.
Kreutzburg Poland	1,785.
[Kreuzburg], Germany	43,447.
Cosel [Kosel], Poland	16,717.
Germany	69,476.
Rosenberg, Poland	11,150.
Germany	23,857.

(from now onwards take first ...¹ as indicating Poland's votes, second as Germany's votes).

Leobschütz	259 and 65,128;
Ratibor Town	2,227 and 29,291 [22,291] ² ;
Ratisbor [<i>sic</i>] rural	18,516 and 26,354;
Poess [Pless]	[53,378] ² 53,347 and 18,675;
Rybnik	52,347 and 27,918;
Kattowitz Town	3,900 and 22,774;
Kattowitz rural	66,119 and 52,892;
Beuthen town	10,101 and 29,890;
Beuthen rural	63,021 and 43,677;
Königshütte	10,764 and 31,864;
Zabrze	43,256 and 45,212;
Gleiwitz town	[8,558] ² 18,558 and 32,029;
Gleiwitz town (Tost)	27,198 and 20,098;

¹ The text is here uncertain.

² Corrected from the Report of the Upper Silesian Plebiscite Commission, see below, No. 26.

Tarnowitz	27,513 and 17,078;
Gross Strehlitz	23,046 and 22,415;
Lublinitz	13,679 and 15,454.

Total for Poland 497,359; for Germany 707,605.

Results of discussions are so far that General Lerond stated he will produce facts and figures to prove that industrial area should go to Poland. Also he suggests that we should agree that Poland should take over German share of reparations proportionate to value of territory received in Upper Silesia. General de Marinis has expressed opinion that Poess [*sic*] and Rybnik should go to Poland and that on eastern border slight rectification of frontier in favour of Poland might be made provided industrial triangle Tarnowitz, Gleiwitz, Kattowitz remain German.

Discussions continue. I am not yet able to say whether General Lerond is likely to agree with de Marinis and I [*sic*].

Repeated to Warsaw, Berlin and Paris.

No. 23

Earl Curzon to Colonel Percival (Oppeln)

No. 30 Telegraphic [C 8345/92/18]

Urgent

FOREIGN OFFICE, April 24, 1921, 8.45 p.m.

Please give following message¹ to the President of the Commission from Monsieur Briand and Mr. Lloyd George.²

Supreme Council will meet probably in London on April 30th. The final figures of the plebiscite having now been received the report of the Commission should surely be on the point of completion and it is most desirable that it should be received by April 29th so that the matter may be taken at this meeting. Otherwise there will be indefinite delay. Kindly expedite.³

Addressed to Oppeln No. 30.

Repeated to Paris No. 199.

¹ According to a note on the draft of this telegram the message had been 'telephoned to London 7.10 p.m. April 24'.

² For the minutes of the meetings between Mr. Lloyd George and M. Briand at Lympe on April 23-24, see Vol. XV, Chap. III.

³ Lord Curzon had already in his telegram No. 28 of April 15, not printed, urged Colonel Percival to do all in his power to expedite the report, since the approach of May 1 'renders necessary under the treaty reconsideration by allied governments of whole reparation question at an early date'. The Supreme Council did not in fact consider the Commission's Report until the Conference at Paris in August 1921. See Vol. XV, Chaps. V and VI.

No. 24

Earl Curzon to Colonel Percival (Oppeln)

No. 32 Telegraphic [C 8518/92/18]

Urgent

FOREIGN OFFICE, *April 25, 1921, 9 p.m.*

My telegram No. 30.¹

It is of course most desirable that Supreme Council should have before them unanimous report from Commission, and I have no doubt that you will make every effort to this end so far as time allows.

Following considerations occur to us as calculated to mitigate French opposition to the compromise which we favour. They are based on careful study of Silesia[n] economic problem.

(1) Coal of central area will be exhausted in fifty years and will in any case have little value after period during which reparations are being paid. Iron works would subsequently be dependent on Polish coal from Pless and Rybnik and would thus lose their value as potential armament factories for Germany.

(2) Allocation of central area to Poland would involve heavy liability under article 256.² Assumption by Poland of reparation charges will be of little practical value and is an undesirable bargain.

If unanimity is impossible within time allowed we shall hope to receive recommendations of your Italian colleague and yourself as majority report.

¹ No. 23.

² See No. 17, n. 5.

No. 25

Colonel Percival (Oppeln) to Earl Curzon (Received April 26, 3 p.m.)

No. 67 Telegraphic [C 8594/92/18]

Urgent

OPPELN, *April 26, 1921, 4.30 a.m.*

Mr. Lloyd George and Monsieur Briand's message contained in your telegram No. 30 April 24th¹ has been communicated to the President of the Commission and latter immediately agreed to take all possible steps to hasten completion of report but although Commission sitting was prolonged until a late hour tonight for the purpose, an agreement on report has not yet been reached. General Lerond still claims that² territory in South Eastern and East plebiscite area including industrial area for Poland basing his claim principally on French map which shows majorities by communes and which enhances the value of rural communes which have voted Polish at expense of German town communes which relatively speaking occupy small spaces. Apart from this line of argument he also claims Eastern fringe of industrial area and whole of Tarnowitz district which undoubtedly show heavy Polish majority and which he claims can [? not] be separated from industrial area. He emphasizes the fact that this territory is adjacent to Polish frontier and

¹ No. 23.

² This word would appear to be superfluous.

that its population will resort to force if it is not allotted to Poland. General De Marinis is prepared to consider allotment of Eastern fringe of Kattowitz area containing towns of Eichenau together with Schoppinitz, Myslowitz, Birkental and Eastern fringe of Tarnowitz and Lublinitz as well as Pless and Rybnik to Poland. Although such an allotment would be fair to Poland I had [? have] not yet agreed to it beyond cession of Pless and Rybnik because it seems clear that (? such a step) would only lead to further demands by Lerond and not serve to bring about an early agreement. As an alternative I have suggested that we should agree to differ and send in majority and minority reports but this has not yet been accepted.³

Repeated to Paris, Berlin and Warsaw.

³ In his telegram No. 73 of April 27, not printed, Colonel Percival reported that General Le Rond intended 'to recommend handing over the whole industrial area to Poland'. Colonel Percival added that General de Marinis and he himself disagreed and would submit a joint report recommending a different line.

No. 26

*The President of the Upper Silesian Plebiscite Commission to
Mr. Lloyd George (Received May 5)*

[C 9210/92/18]

OPPELN, April 30, 1921

Monsieur le Président,¹

J'ai l'honneur d'adresser ci-joint à Votre Excellence, au nom de la Commission Interalliée de Gouvernement et de Plébiscite de Haute-Silésie, les documents dont l'Article 88 du Traité de Versailles, Annexe, § 5, prévoit la communication aux Puissances Alliées, à la suite de la clôture des opérations du plébiscite.

Le résultat du vote par commune a été, après vérification, homologué par décision de la Commission en date du 24 Avril. Votre Excellence trouvera ci-joint ce document signé des représentants des trois Puissances.²

La Commission Interalliée n'a pas été en situation d'adresser au Conseil Suprême, qu'elle l'eût désiré, un rapport unanime. Du moins a-t-elle tenu dans une note spéciale, également annexée,³ à fixer jusqu'à quel point elle

¹ Mr. Lloyd George was President of the Inter-Allied Conference which met in London from April 25 to May 5 (see Vol. XV, Chap. IV). This letter was communicated to the Foreign Office on May 5. Copies of the minority and majority reports of the Plebiscite Commission were brought to London by a member of the Commission, Major Clarke, who reached London on the evening of May 2.

² For the text of this document, see *Journal Officiel de Haute-Silésie*, No. 21 (Oppeln, May 7, 1921). For the text, less some of the numerical tables, see also Wambaugh, vol. ii, No. 88.

³ Printed *ibid.*, No. 89, Annex II.

a pu s'accorder, et pour quelles raisons les Représentants des trois Puissances ont été amenés à Vous adresser des rapports séparés.

Votre Excellence trouvera ci-joints les différents plis contenant ces rapports.⁴

Veuillez agréer, &c.,

LE ROND

⁴ Printed *ibid.*, No. 89, Annexes III and IV. The Le Rond line starting from a point 20 miles north-east of Rosenberg, ran generally south-westwards to a point on the Oder 6 miles north of Kosel, passing 12½ miles to the east of Oppeln and 5 miles west of Strehlitz. From there it followed the Oder through Kosel and Ratibor to the southern boundary of the plebiscite area.

The Percival-Marinis proposals were as follows:

'1. The attribution to Germany of Zone A (districts of Kreuzburg, Rosenberg, Oppeln, Kosel, Ober-Glogau and Ratibor town and country), excepting a part of the territory situated on the right bank of the Oder in the district of Ratibor rural, and a part of the district of Rosenberg (see below, paragraph 3 (a) and 3 (h)).

'2. Attribution to Germany of Zone C (districts of Lublinitz, Gross-Strehlitz, a part of Tarnowitz, Gleiwitz town and rural, Beuthen town and rural, Kattowitz town and rural, Königshütte and Zabrze), and excluding from these districts the parts of the territory mentioned in paragraphs 3 (b), (c), (d), (e), (f), (g).

'3. Attribution to Poland of Zone B (districts of Rybnik and Pless). In addition the attribution to Poland of the following:—

- (a) The communes of the district of Ratibor, which are situated to the south of the towns of Ratibor and Hohenbirken, between the river Oder and the existing frontier of Rybnik. Thus the frontier would be delimited by the course of the Oder to the south of Ratibor and Hohenbirken.
- (b) The salient which the district of Gleiwitz rural forms with the communes of Gieraltowitz and of Preiswitz.
- (c) The salient which the district of Zabrze makes with the district of Pless, adopting as a frontier the watercourse of the Klodnitz immediately to the north of Klein Paniow.
- (d) That part of the salient which the district of Kattowitz makes between the existing Polish frontier and the district of Pless (including the mine and town of Myslowitz, which has shown a German majority).
- (e) The north-eastern sector of the district of Beuthen rural, comprising the communes of Dombrowka, Birkenhain, Scharley, Kamin, Berozowitz, [Brzezowitz], and Deutsch-Piekar, excepting the mine of Rosalien-Grube, which feeds the industrial area with water.
- (f) The eastern part of the district of Tarnowitz, including principally the communes of Radzionkau, with its mines and Georgenberg [Georgenberg].
- (g) The eastern sector of the district of Lublinitz to the east of the road Georgenberg-Kaschentin and to the east of the little stream Lisswarthe, including the commune of Wendzim [Wendzin].
- (h) The salient formed by the part of the district of Rosenberg included between the communes of Jastrzigowitz and Gross Borek, including these two communes.

'In conclusion, it is desirable to mention that a group of nine communes (Makoschau, Kunzendorf, Paulsdorf, Bielschowitz, Neudorf, Kochlowitz, Barenhof, Halemba, and Klodnitz), exists to the north of the northern boundary of the district of Pless, which voted for Poland and which form, so to say, the meridional link between the central industrial area, with which they have more or less strict interdependence.

'As this interdependence is not primary, the Italian representative, having regard to the Polish majority in these communes, considers it just that they should be attributed to Poland, and hereby makes this proposition, bearing in mind the difficulties of defining the frontier in this zone.'

No. 27

Colonel Percival (Oppeln) to Earl Curzon (Received May 3, 7 p.m.)

No. 78 Telegraphic [C 9060/92/18]

Most urgent

OPPELN, May 3, 1921, 12 noon

Polish insurrection broke out last night simultaneously on Eastern border of Industrial area and in Pless Rybnik. Greater part of Beuthen rural Pless and Rybnik districts are now in the hands of rebels.

In the latter two Italian troops have been attacked in their barracks, and a number of officers and men killed and wounded. Polish agents have also blown up railway bridges which connect Upper Silesia with Germany. Polish section of Upper Silesian Police has in many places gone over to the rebels, after disarming German section.

Amongst insurgents there are men in Polish uniforms and six lorries with arms and ammunition crossed the frontier from Poland in Beuthen district. It is clear that we have to do with a concerted Polish plan to seize Upper Silesia by force. I have no evidence that Polish Government has any connection with the movement, but I should be grateful if it could be reminded of its promise to close the frontier. . . .¹

Captain Simson, Police Officer at Zaborze [*sic*], has been taken prisoner by Polish insurgents.²

Repeated to Paris, Berlin and Warsaw.

¹ The text is here uncertain.

² His release was reported the same day by Colonel Percival in his telegram No. 80, not printed.

No. 28

Earl Curzon to Colonel Percival (Oppeln)

No. 54 [C 8302/92/18]

FOREIGN OFFICE, May 4, 1921

Sir,

On receipt of your telegram, No. 64 of the 22nd ultimo,¹ asking whether, in view of the crisis in the Upper Silesian iron and zinc industries, His Majesty's Government wish to maintain their opposition to the institution by the Plebiscite Commission of a special department for the issue of export and import permits, you were informed by telegraph that Lord Curzon's views on this subject were unchanged.² The following review of the question may be useful as indicating the reasons that have weighed with His Lordship in reaching this decision.

¹ Not printed. This telegram had reported that 'General Lerond pointed out that this Commission would be failing in its duty towards Upper Silesia industry' if it did not accept the view of its Economics Department and take steps to improve the industrial situation by granting export permits to Poland.

² Lord Curzon's telegram No. 34 of May 2 to Oppeln, not printed.

2. Early in 1920 the French representative on the Plebiscite Commission proposed to set aside the German control of imports and exports, which is centralized at Berlin, and to transfer it to the Commission. The British delegation were opposed to this, except in respect of control of food exports and imports. The question was referred to Paris, and His Majesty's Ambassador was instructed to oppose the French view³ (except in respect of food control), on the ground that it was not part of the Commission's duties to interfere with the German administration in commercial matters. You were at the same time instructed by Lord Curzon's telegram, No. 14 of April 13th 1920, to withhold your assent.⁴ Eventually the matter dropped.

3. It came up again early this year when the Commission wished to override the German prohibition of export to Poland in a particular case, in order to obtain food from Poland. Lord Curzon then decided (see his telegram No. 9 of January 26th)⁵ that, while he was in principle reluctant to interfere with the German export control, he did not wish to circumscribe the discretion of the Commission, if the Polish supplies were vital to Silesia. Presumably they were not vital, for no more was heard of the proposal.

4. One of the arguments used on that occasion was that the German export prohibition constitutes an infraction of the treaty, as discriminating against Poland. This argument is again urged now. On this point the position of His Majesty's Government is that the matter is one for the Polish Government to raise at Paris, and is not for His Majesty's Government or for the Plebiscite Commission, to decide. It is a question of interpreting the treaty, on which there is presumably something to be said on both sides, and Lord Curzon attaches importance to resisting the claim, which the use of this argument involves, that the Plebiscite Commission are competent to interpret the economic clauses of the treaty. When a precisely similar question arose in the occupied territory of Germany, the Inter-allied Rhineland High Commission rightly decided that it was not within their province to ensure that the German import and export control in the occupied territory should be consistent with the treaty, much less to take action on the ground that it was inconsistent.⁶

5. Lord Curzon is therefore precluded on every ground of consistency and principle from agreeing to the present proposal. It is the duty, not of the Commission, but of the German authorities, to take such steps as may be possible to maintain the industries of Upper Silesia; and His Lordship finds it difficult to believe that, if an adjustment of their export control is necessary for that purpose, the German authorities will be so blind to their own interests as to refrain from making it. General Lerond's sense of duty towards Silesian industry would, in fact, appear to be misplaced. The Commission have no such duty. Before the plebiscite they might have felt bound to arrange for supplies of raw materials to prevent unemployment; for unemployment means disorder, and disorder might have vitiated the vote. But, apart from that, they were at no time directly concerned with the in-

³ See Vol. XI, No. 7, n. 3.

⁴ Vol. XI, No. 7.

⁵ Not printed.

⁶ See Vol. IX, No. 66.

dustrial prosperity of Upper Silesia. Now that the vote has been taken, it is doubtful whether they are concerned even indirectly.

6. Copies of this despatch have been sent to His Majesty's representatives at Paris, Berlin and Warsaw.

I am, &c.,
CHARLES TUFTON

No. 29

Mr. Max Muller (Warsaw) to Earl Curzon (Received May 5, 3 p.m.)

No. 217 Telegraphic [C 9224/92/18]

WARSAW, May 5, 1921, 1.40 a.m.

Monsieur de [sic] Piltz the Vice Minister for Foreign Affairs called on me by appointment this evening¹ and read to me a lengthy document regarding insurrectionary movement in Upper Silesia drawn up by Council of Ministers. He was only authorised to read it to me without giving me a copy. It began with a recapitulation of all the old complaints about the outvoters and German intrigue and terrorism and ended with an appeal to Supreme Council to give a decision strictly in accordance with Treaty of Versailles, the old plea as to a decision by cantons.

It contained a brief though categorical condemnation of insurrection and pointed to dismissal of Korfanty from his position of Polish plebiscite commissioner as proof of their good faith.² I left Monsieur de Piltz in no doubt as to my opinion of communiqué which I said had produced a deplorable effect on my mind. What I had expected was a plain disavowal of, and apology for, events in Upper Silesia and I was glad that I was not in a position to forward a copy of such a statement to my Government.

Monsieur de Piltz who evidently felt justice of my criticisms said that he would report them to Monsieur de [sic] Witos³ but he urged as an excuse the internal dissensions of Cabinet of which extreme members were unwilling to express open disapproval of insurrection although they regarded it as an act of folly and a misfortune for the country. I replied that he could not expect foreign governments to go into such questions of internal politics in judging the acts and statements of Polish Government and all I could do was to report to my government so much as I could remember of statement he had read to me.

I then handed to him a Memorandum containing substance of Colonel Percival's telegrams Nos. 78 to 81 inclusive,⁴ and I impressed on him urgent necessity for guarding frontier properly and preventing passage into Upper Silesia of men and arms. He said that frontier had been closed since yester-

¹ This telegram was drafted on May 4.

² See *The Times*, May 5, p. 10.

³ Polish President of the Council.

⁴ Oppeln telegrams Nos. 79 and 81 of May 3 are not printed; for telegrams Nos. 78 and 80 see No. 27 and No. 27, n. 2 respectively.

day. I explained extreme folly of Korfanty's proclamation⁵ and action could hardly fail to affect adversely Poles' chances of a favourable decision and I recommended that Polish Government should mark their disapproval by some overt act such as the issue of a proclamation in categorical terms to Polish people and should take steps to punish any officers who might take part in movement.⁶ Monsieur de Piltz held out hopes that something of the kind might be done but explained that some of the Ministers were afraid of their constituents. I pointed out that this was tantamount to saying that Government had ceased to govern.

French Minister is inclined to take a very pessimistic view of insurrection and very excited state of feeling throughout Poland. He says that he had long since warned his government of dangers of delay and deplors that French troops should be fighting Poles in Upper Silesia at the moment they are occupying German territory in Westphalia. He is convinced that Polish Government was in no way privy to the movement and strongly disapproved it. In this he is certainly correct. He has made representations on the same lines as myself and hopes to be able to give similar advice to Marshal Pilsudski⁷ this evening.

⁵ See No. 30, below. For a further proclamation of May 8 in which M. Korfanty announced that he had placed himself at the head of the insurgents, see *The Contemporary Review*, vol. cxx (London, 1921), pp. 117-18.

⁶ In his telegram No. 221 of May 5, not printed, Mr. Max Muller reported that the Polish Government had forbidden recruiting for the assistance of the insurgents under threat of legal proceedings.

⁷ President of the Polish Republic.

No. 30

Mr. Max Muller (Warsaw) to Earl Curzon (Received May 6, 11.5 a.m.)
No. 222 Telegraphic [C 9262/92/18]

WARSAW, May 5, 1921, 7.46 p.m.

Press reports today that as result of his dismissal Korfanty has assumed leadership of insurrectionary movement and has severed all connection with Polish Government. He has issued proclamation appointing a Monsieur Doliba Commander of insurgent army and calling for strict discipline. Inter-Allied Commission has proclaimed state of siege. Order being maintained in towns but country districts in hands of insurgents. Various encounters reported between latter and allied troops resulting in casualties. Polish Government dissociates itself from these events and will make verbal communication to foreign Ministers.

Repeated Oppeln, Berlin.

No. 31

Colonel Percival (Oppeln) to Earl Curzon (Received May 6, 3.30 p.m.)

No. 85 Telegraphic [C 9297/92/18]

Most urgent

OPPELN, May 6, 1921, 3 a.m.

I am now in a position to give a fairly accurate appreciation of the situation in Upper Silesia. Insurrectionary movement was too well-planned and organised to be a spontaneous outbreak of national feeling. It appears to me that insurgent forces consist of two distinct bodies, namely of local (? bands) . . .¹ trained and organised. Movements of troops of latter, their military bearing and carefully timed operations all prove that campaign was planned and controlled by highly organised staff. Strength of this special force is estimated at 35,000.

General idea is to occupy what is known as Korfanty line, that is all territory south of line through Rosenberg and Groschowitz, near Oppeln to east of the Oder. Intention is to hold this without interfering too much with economic and administrative arrangements. Provided forces of Commission do not oppose this no active measures are to be undertaken against Commission.

Plan did not work entirely to satisfaction of insurgents owing to fact that Commission forces, and particularly Italian troops, resisted to considerable extent, but situation now is that insurgents have practically reached their objective and Commission forces, owing to their weak numbers, are unable to oust them. As a result our troops hold the town and the insurgents the surrounding country, and it is not likely that this situation can be changed in immediate future.

Most serious factor is future conduct of German population. It has confidence in Commission in so far as it admits that Commission is doing its utmost to deal with insurrection, but by now it is aware that necessary forces are not forthcoming to expel insurgents and it is clamouring to take action on the matter into its own hands. So far Commission has been able to keep German population quiet, but it is not by any means certain that it will be able to continue to do so, and signs are not wanting that steps are being taken by German inhabitants to arrange for their own defence.

A satisfactory solution is difficult to suggest. Commission is reluctant to negotiate with Korfanty and has hitherto not done so. It will however probably eventually have to get into contact with him even if it is only to arrange for feeding of industrial area. At present practically whole of railway service required for this is at a standstill. This however is a delicate matter as any negotiations with insurgents must necessarily be regarded by (? German) (? Commission) . . .¹ and may precipitate civil war.

I think I should add that Monsieur Ponsot, who has replaced General

¹ The text is here uncertain.

Lerond during latter's absence,² has done exceedingly good work and acted in complete harmony with my Italian colleague and myself.

Repeated to Paris and Berlin.

² General Le Rond had left for Paris on April 30. M. Ponsot was the French member of the committee for plebiscite arrangements.

No. 32

Lord Kilmaurack¹ (Berlin) to Earl Curzon (Received May 6, 7.30 p.m.)

No. 195 Telegraphic [C 9296/92/18]

BERLIN, May 6, 1921, 5.40 p.m.

Permanent Secretary of State for Foreign Affairs² whom I met by chance told me that in his opinion the only way to save the situation in Upper Silesia was for the four British battalions to be sent back there.³ Their mere presence would, he said, have enormous moral effect. Same opinion is being freely expressed in many quarters. So far German public opinion has kept wonderfully calm and Government were yesterday able to dissuade Foreign Affairs Committee of Reichstag from passing any embarrassing resolutions though it is stated that German nationals pressed for active German intervention. It is evident if no improvement occurs shortly in situation, grave difficulties will arise which may lead to internal complications.

Repeated to Oppeln.

¹ Counsellor in H.M. Embassy at Berlin, Chargé d'Affaires, April 30–May 7.

² Herr Haniel von Haimhausen.

³ See No. 11 The German request for the despatch of British troops was 'again reiterated' by the German Ambassador in London in a conversation with Sir E. Crowe on May 9. The Ambassador had already seen Sir E. Crowe in connexion with the Silesian situation on May 6.

No. 33

Earl Curzon to Lord Hardinge (Paris)

No. 223 Telegraphic [C 9297/92/18]

Very urgent

FOREIGN OFFICE, May 6, 1921, 9 p.m.

Upper Silesia.

Please move Ambassadors' Conference to instruct the Plebiscite Commission to issue a proclamation condemning recent disorders and warning inhabitants that no resort to force will alter determination of Allied Governments to act in conformity with the provisions of the Treaty or influence their decisions as to disposal of any part of plebiscite area.

Repeated to Rome No. 174.

No. 34

Earl Curzon to Colonel Percival (Oppeln)

No. 36 Telegraphic [C 9297/92/18]

Urgent

FOREIGN OFFICE, *May 6, 1921, 9 p.m.*

My telegram to Paris No. 222.¹

If our proposal is approved, will the Commission be able to keep order in the new conditions with the forces now at their disposal? If not, what reinforcements will be required, whether (a) raised locally or (b) allied troops?

Addressed to Oppeln No. 36, repeated to Paris No. 225 and Rome No. 177.

¹ No. 36 below.

No. 35

Mr. Max Muller (Warsaw) to Earl Curzon (Received May 8, 6.15 p.m.)

No. 224 Telegraphic [C 9362/92/18]

WARSAW, *May 6, 1921, 9.22 p.m.*

At Napoleonic centenary performance at opera last night, Marshal Pilsudski talked to me at length regarding insurrection in Upper Silesia. His attitude appeared to me most unsatisfactory. He seemed entirely unconscious of gravity of situation and when I referred to Italian casualties at Rybnik¹ asked what were twenty-five deaths to persons who had been through the war. I pointed out that this was not war but a fight against insurgents.

I dwelt on the suicidal folly of action of Korfanty and his followers which had produced the worst possible effect in England and was certainly adverse to real interests of Poland. Marshal Pilsudski replied that Great Britain was to blame for what was happening in Upper Silesia and could put a stop to disturbances at once by giving a decision in favour of Poland. I said that even if His Majesty's Government might before have been inclined to stretch a point in favour of Poland against Germany, they were less likely than ever to do so now.

I begged him in the interests of his country to get Polish Government to issue a proclamation categorically disavowing movement in Upper Silesia, appealing to the people to keep calm, and forbidding officers and soldiers under pain of severe penalty to side with insurgents.

Marshal Pilsudski, like Monsieur Piltz on May 4th,² explained that Government was not in a position to act against overwhelming feeling of the country, and would fall if it issued such a proclamation. He added that I, as representative of the country which originated parliamentary Government, would appreciate this. I answered that while making every allowance for difficult position of Polish Government, I urged in the interests of their

¹ See No. 27.

² See No. 29.

country that they should lose no time in issuing a proclamation such as I had indicated and I felt certain that they could do so with good effect if they really wanted to, otherwise they had simply ceased to govern. I added that hesitation of certain of [*sic*] Ministers was due to fact that they preferred their places to interests of their country.

Marshal Pilsudski, however, expressed doubt as to possibility of Government being able to do so.

I then referred to deplorable attitude of press which, instead of exercising a restraining influence, was actually inciting the people to acts of folly, but here Marshal Pilsudski pleaded liberty of press, which he also described as an English invention: to this I replied that liberty was one thing, and abuse another.

His categorical denial that regular troops were about to cross into Upper Silesia is reported in my immediately following telegram,³ but when I suggested that stern measures should be adopted to prevent Polish officers and soldiers from joining insurgents he indicated that any such act would be very difficult in present excited state of public feeling.

Altogether my conversation with Chief of State left a deplorable impression on my mind.

Public feeling here is undoubtedly excited and people talk openly of war with Germany, though it would be premature to attach importance to such talk. At yesterday's centenary celebration, I myself saw a banner with words 'To arms' in Polish on it, and there were placards in the streets inviting people to enlist. Against this recruiting Government has taken steps as reported in my telegram No. 221,⁴ but the notice is not couched in sufficiently vigorous terms and I doubt whether prohibition will be enforced.

The real danger to my mind lies in incredible folly of the so-called responsible statesmen, many of whom have been political adventurers all their lives and have no sense of official responsibility. They seem incapable of appreciating gravity of situation and urgent need for exercising restraint.

One of the Under-Secretaries for Foreign Affairs imparted to United States Minister his joy at events in Upper Silesia, and was evidently surprised to learn that Mr. Gibson regarded them as a catastrophe. Again the Marshal of the Diet⁵ gaily told the French Minister that we were within sight of a new world war.

I feel that it is useless for me to say more than I have already, (? but) without wishing to appear unduly pessimistic, I venture to suggest that situation is sufficiently acute to warrant the three Allied Governments instructing their representatives here to address a joint remonstrance and warning to Polish Government couched in the sternest terms.

Repeated to Berlin and Oppeln.

³ No. 225 of May 6, not printed. In this telegram Mr. Max Muller said that he found that 'not only General Carton de Wiart [head of the British Military Mission to Poland] but also Generals Niennel [? Niessel] and Romei [respectively heads of the French and Italian military missions to Poland] doubt the truth of report that Polish regular troops are on the point of crossing the frontier into Pless'.

⁴ No. 29, n. 6.

⁵ M. W. Trampczynski.

Earl Curzon to Lord Hardinge (Paris)

No. 222 Telegraphic [C 9297/92/18]

Very urgent

FOREIGN OFFICE, *May 6, 1921, 9.30 p.m.*

Upper Silesia.

Please submit following proposal immediately to Ambassadors' Conference. Special meeting should be called if necessary.

To meet the situation which, according to our information is tantamount to an abdication of its authority on the part of the Commission, it is clearly necessary to strengthen the forces available for the maintenance of order. I am afraid that a British contribution cannot be expected but I should be glad to learn whether French and Italian Governments are prepared to send reinforcements.

Meanwhile, in order to ease the situation both from political and military points of view, you should urge the Conference to decide:—

(A) To inform the German Government that that part of the plebiscite area which is recognised by the reports of both the French and the British and Italian Commissioners to be indisputably German will be handed over to them at once to be occupied and administered under their full authority.

(B) To make similar communication to Polish Government as regards area which both reports are agreed in assigning to Poland. It should, however, be made clear that such immediate Polish occupation is authorised on the understanding that Polish Government make themselves responsible for the maintenance of order within the area to be occupied and administered by them; for suppressing the bands that are terrorising the district; for the capture and punishment of anyone responsible for outrages; and for the immediate return of German hostages.

(C) The Commission to transfer its seat from Oppeln to some place in the central disputed area, perhaps Gleiwitz or Gross Strehlitz, and the whole of the allied troops to withdraw from the northern and southern areas to the disputed area as the former are taken over by the German or Polish authorities.

(D) As a working definition of the two areas to be handed over we suggest the following:—

(1) To the Germans everything to the west of the following line:

The left bank of the Oder from its junction with the Czecho-German frontier to its intersection with the north-west corner of the Kreis of Gross Strehlitz. Thence along the boundary between Kreis Rosenberg and Kreis Gross Strehlitz. Thence along the boundary between Kreis Rosenberg and Kreis Lublinitz as far as its intersection with the Guttentag-Rosenberg road. Thence a line to the west of the villages Wysoka, Klein Borek, Karmionkau to the Polish frontier at Bubrowa.

(2) To the Poles the Kreise of Pless and Rybnik.¹

(E) The above arrangement to be without prejudice to the final division of the disputed area within this line.

In urging that instructions should forthwith be sent to the Commission to give effect to this proposal, you should point out that it has the following merits. Transfer of responsibility as regards large part of the area from the Commission to German and Polish Governments. Concentration of allied troops and economy in their employment: the disturbance is localised and our means of dealing with it proportionately increased. Economy of personnel: six or seven kreis controllers would be abolished at one stroke.

Addressed to Paris 222.

Repeated to Warsaw No. 114, Berlin No. 90, Rome No. 175² and Oppeln No. 35.

¹ In his telegram No. 255 of May 7, not printed, Lord Hardinge said that he assumed that Lord Curzon's proposals related 'only to Rybnik and Pless, and not to the strips along the eastern frontier which, according to the British and Italian reports are also to be allotted to Poland'. He thought Sections B and D of Lord Curzon's telegram 'slightly inconsistent on this point'.

² In his telegram to Rome, No. 176 of May 6, not printed, Lord Curzon requested H.M. Ambassador there, Sir G. Buchanan, to ask the Italian Government to instruct their representative at the Ambassadors' Conference to support Lord Hardinge. In Rome telegram No. 163 of May 10, not printed, Sir G. Buchanan reported that the Italian Ministry of Foreign Affairs did not think it of any use to give such instructions since H.M.G.'s proposals had been rejected by the Inter-Allied Military Committee of Versailles (see Nos. 38 and 45, below).

No. 37

Mr. Max Muller (Warsaw) to Earl Curzon (Received May 7, 5.30 p.m.)
No. 226 Telegraphic [C 9363/92/18]

WARSAW, May 6, 1921, 9.30 p.m.

My telegram 218.¹

German Chargé d'Affaires² called on me again this afternoon and informed me that in his opinion the situation was gradually becoming more acute, owing to the failure of Polish Government to restrain growing excitement or to deal effectively with improper manifestations, such as placarding of the streets with requests for recruits. He said that these placards had been thrown down from military aeroplanes that patrolled the sky during yesterday's centenary celebrations, and further that at a meeting of the officials of Ministry of the Interior a resolution had been adopted promising support to the insurgent movement in Upper Silesia. Meanwhile excitement was growing in Germany, and he was becoming increasingly apprehensive of possible results, though he had as yet no indication of any intended participation by Polish regular troops. He had made renewed representations to Polish Government but was also anxious that I should learn his views.

¹ Of May 4, not printed.

² Graf A. Oberndorff.

I informed him of recruitment of 3,000 Germans for Upper Silesian police.³

This Legation is now the object of daily hostile demonstrations from bands of students and rowdies, but as hitherto policemen have afforded necessary protection. I propose, unless otherwise instructed, to treat these demonstrations with the contempt they merit.

Repeated to Berlin and Oppeln.

³ In his telegram No. 84 of May 5, Colonel Percival reported that the Plebiscite Commission was 'enlisting up to 3,000 Germans in Upper Silesian police to take the place of Polish deserters'.

No. 38

Lord Hardinge (Paris) to Earl Curzon (Received May 8, 11.5 a.m.)

No. 256 Telegraphic [C 9374/92/18]

Urgent

PARIS, May 7, 1921, 8.30 p.m.

Your telegrams Nos. 222 and 223 of May 7th.¹

Upper Silesia.

I submitted Your Lordship's proposals to Conference of Ambassadors this morning, also communicating the substance of Colonel Percival's telegram No. 85.² It was decided that, while French and Italian representatives were obtaining instructions, the Versailles Committee³ should examine proposal in detail from military standpoint, as it was feared that troops if concentrated in central district would have their communications cut and would be isolated to a dangerous extent. Marshal Foch and Italian Ambassador stated that no hope of sending reinforcements could be held out.

Certain preliminary observations were however made which were not altogether favourable. The Italian Ambassador remarked that to hand over territory to Poland at this juncture looked like yielding to pressure of insurgents, and that it would in face [? fact] strengthen Korfanty who would take charge in any area handed over to Poland. Moreover any provisional cession of territory made under these circumstances to Poland or Germany would in reality become permanent.

The matter will be considered again on Monday or Tuesday⁴ when the French and Italian representatives have received instructions from their respective Governments.

It was decided by Conference to issue at once a warning to Polish Minister in Paris urging Polish Government to dissociate themselves from the movement and to take all possible measures to bring it to an end.

The Conference agreed at the same time to send instructions to Plebiscite Commission to issue a proclamation in the sense of Your Lordship's telegram No. 223 of May 7th. Copy of these instructions will be sent to Your Lordship by bag.⁵

¹ Nos. 36 and 33 (of May 6) respectively.

² No. 31.

³ i.e. the Inter-Allied Military Committee of Versailles.

⁴ i.e. May 9 or 10.

⁵ Transmitted under cover of Paris despatch No. 1330 of May 7, not printed.

At close of discussion M. Cambon⁵ proposed that Commission should be urged to complete their reports so as to make a unanimous recommendation as to new frontier. I was unable to resist this proposal but I presume that Your Lordship will give Colonel Percival such instructions as may be necessary.

I learnt this afternoon at Ministry of Foreign Affairs that French Government do not approve of Your Lordship's proposal. They point out that suggested provisional arrangement would necessarily become permanent and that the whole question should be very carefully considered before a final solution is applied. Further they are convinced that such a proposal, if accepted at the present moment, when racial antagonism is so strongly excited, would bring Polish Government on the scene and would produce complications of which it would be difficult to foresee the end. In the meantime they are exercising the very strongest pressure on Polish Government, pointing out the absolute folly of their . . .⁷ in attacking French and Italian troops and urging strongest measures against Polish agitators. Reports received by French Government show, they say, an improvement in the situation.

Repeated to Oppeln, Warsaw, Berlin and Rome.

⁶ M. Jules Cambon, French representative on and Chairman of the Conference of Ambassadors.

⁷ The text is here uncertain.

No. 39

Colonel Percival (Oppeln) to Earl Curzon (Received May 8, 2 p.m.)

No. 90 Telegraphic [C 9360/92/18]

Most urgent

OPPELN, May 7, 1921, 10.50 p.m.

His Majesty's Government's proposal regarding concentration of Allied forces mentioned in your telegram No. 222 to Paris¹ had already been discussed between Marinis, General Gratier,² and I [*sic*] and we consider that in the area mentioned with following reinforcements order can be effectively maintained:

A. Police troops raised locally to be augmented from 6,000 to 8,000.

B. Allied troops to be reinforced by 10,000 men to include motor machine gun battery/batteries, two squadrons of cavalry, twenty whippet tanks and some aircraft. Both Marinis and I consider that these reinforcements should be other than French as one cannot be sure that latter will take firm measures against Poles owing to their well known sympathy with latter.

Improvement in general situation foreshadowed in my immediately preceding telegram³ has had a setback as insurgents have recommenced activities in the vicinity of Cosel and northern circles and are not now far from Oppeln.

Repeated to Paris, Berlin, Rome and Warsaw.

¹ No. 36.

² Commander-in-Chief of the Allied forces in Upper Silesia.

³ i.e. Oppeln telegram No. 89 of May 7, not printed; see No. 44, n. 3, below.

No. 40

Lord Kilmarnock (Berlin) to Earl Curzon (Received May 8, 3 p.m.)

No. 198 Telegraphic [C 9369/92/18]

BERLIN, May 8, 1921, 1.10 a.m.

Minister for Foreign Affairs has just sent for me.

His Excellency spoke very seriously of situation in Upper Silesia and said he was experiencing great difficulty in restraining German elements both in plebiscite area and outside from taking active measures to combat spread of insurrection and terrorism exercised by Polish bands. He would not be able to do so much longer. He asked if I could tell him what measures were contemplated by Allied Governments for restoring order. I replied in the negative. He said it was duty of Allies to deal with situation themselves and he trusted they would take energetic steps to do so.

As I was leaving Ministry I met Permanent Secretary of State for Foreign Affairs who stopped me and repeated his opinion¹ that sending of even a comparatively small number of British troops would be effective owing to moral effect which would be produced.

I venture strongly to support suggestion made in last paragraph of Mr. Max Muller's telegram No. 224 pressing (? Your Lordship) that a strong warning be issued by three principal Allied Powers to Poland.² Upper Silesian situation is exercising strong influence adverse towards acceptance of Allied ultimatum by Germany and is strengthening the hands of reactionary circles which hope for a refusal.³ It is distinctly diminishing chance of our demands being complied with.

Repeated to Warsaw and Oppeln.

¹ See No. 32.

² No. 35.

³ The reference is to the Allied ultimatum sent from the London Conference to the German Government on May 5 (see Vol. XV, Nos. 85 and 86). This ultimatum demanded the complete execution of German disarmament in accordance with the military clauses of the Treaty of Versailles.

No. 41

Colonel Percival (Oppeln) to Earl Curzon (Received May 8, 9.15 p.m.)

No. 91 Telegraphic [C 9361/92/18]

Most urgent

OPPELN, May 8, 1921, 11.50 a.m.

German population is rapidly losing patience. I have done my utmost during last few days to convince their leaders that it is not to their interest to take up arms which can but have (? catastrophic) results for Upper Silesia and whole of its population. So far leaders have been able to restrain people but at a late hour tonight (*sic*)¹ they called on me to state that they were now losing control over masses. Latter demanded categorically British

¹ This word was in the original.

troops should be sent and Reichswehr admitted to restore order. Leaders left to make a last appeal to the people but I feel that latter are getting out of hand and I think there is no question that situation is rapidly becoming worse.

It is perhaps unfortunate that General Lerond has returned² just at the time when there appeared to be a chance of insurgents giving way as since his return Korfanty has intimated to French General Officer Commanding at Gleiwitz that he does not propose to recall insurgents before certain conditions he has to make are granted. In these circumstances I feel that there is but one solution namely that outlined in your telegram No. 222 to Paris.³ My Italian Colleague is in agreement with me in this respect.

Repeated to Paris, Warsaw and Berlin.

² On May 7.

³ No. 36.

No. 42

Earl Curzon to Lord Hardinge (Paris)

No. 231 Telegraphic [C 9297/92/18]

Urgent

FOREIGN OFFICE, May 8, 1921, 2.40 p.m.

My telegram No. 222 (of May 6th. Silesia).¹

I fear that it is impossible to absolve the Polish Government from at any rate partial responsibility for the present untoward events in Upper Silesia both as regards their genesis and their actual course. Korfanty has placed himself at the head of the insurgents, has defied the inter-allied Commission, and has proclaimed that the Polish party will submit to be shot down to a man by allied troops rather than bow to the decisions of the allied Governments in accordance with the treaty, and will destroy the mines and foundries first. It is true that the Polish Government have disavowed him, but, having strenuously opposed our previous attempts to secure his removal, which we had urged for the very reason that he was organizing insurrectionary movement they cannot now escape responsibility for that movement so organized, now it has broken out.

Moreover, the information which we are receiving contains abundant evidence that the movement is not only well supplied with material from Poland but is actively supported by regular Polish military formations. I cannot believe that the Polish Government did not dispose of adequate forces to stop this by closing the frontier as the Commission had consistently urged, had they wished to do so.

A clear and immediate communication on the above lines from the Allied Governments to the Polish Government seems necessary at this stage. It would possibly have some practical effect, if they were at the same time told, not merely that the Allied Governments will hold them responsible on these grounds, but that, if the movement under Korfanty's leadership results

¹ No. 36.

in serious damage to mines and other German property in the industrial [sic] area, by flooding or otherwise, the question of making compensation to Germany from those districts in which there has been an overwhelming Polish vote, will necessarily require consideration when the frontier is fixed. An attempt, passively allowed, even if not directly encouraged by the Polish Government, forcibly to frustrate the operation of the treaty may well introduce a new factor which must weigh with the Allied Governments when reaching their decision on the results of the plebiscite.

Please make proposals as above to Ambassadors' Conference without delay.

Repeated to Berlin No. 91, Warsaw No. 116, Rome No. 180 and Oppeln No. 37.

No. 43

Colonel Percival (Oppeln) to Earl Curzon (Received May 9, 10 a.m.)

No. 92 Telegraphic [C 9395/92/18]

Most urgent

OPPELN, May 8, 1921, 7.30 p.m.

General Brandt [de Brantes], French General at Gleiwitz has seen Korfanty¹ who informed him that Poles demanded: *a.* That insurgent forces be recognized as army of occupation, *b.* That they assume control of railways, *c.* Take over civil administration in area occupied by them, *d.* That convention of Mahris[c]h-Ostrau regarding coal² be revoked, *e.* That this commission formulate new proposals for partition of frontier.

Korfanty added that he realized that these conditions could not possibly be even considered by commission.

He also realized that present situation in Upper Silesia was rapidly becoming intolerable and he would do his utmost to persuade insurgents to lay down arms. First thing was to get men to resume work and this he thought he had persuaded them to do from to-morrow onwards. Following on that he hoped to persuade insurgents to lay down arms but must give some pretext for doing so and suggested following:

1. No German force of whatever description should be used against Poles during liquidation of movement.
2. An amnesty should be granted for all crimes connected with movement based on lines of German-Polish amnesty treaty of October 23rd, 1919.³

¹ The wording in the second sentence of Colonel Percival's immediately following telegram, No. 93 of May 9, not printed, namely, 'I am not at all confident that Korfanty delegate's offer is sincere', suggests that General de Brantes' meeting had been with a representative of M. Korfanty and not with M. Korfanty himself.

² The convention of Moravska Ostrava (Mährisch-Ostrau) was signed on Nov. 5, 1918. See H. Grappin, *La Question de la Silésie de Teschen* (Paris, 1919), pp. 40-44, and H. W. V. Temperley, *A History of the Peace Conference of Paris* (London, 1920-4), vol. IV, 355-6.

³ This treaty is printed in Martens, *Recueil de Traité*s, 3^{me} Série, vol. 16 (Leipzig, 1927), pp. 330-3.

3. Polish officials which [*sic*] Commission appointed last year to supervise administrative conduct in districts should be given effective controlling power and that a certain number of present officials should be replaced by officials acceptable to Poles.

4. Railway service to be immediately resumed with assistance of Polish Plebiscite Committee.

5. Commission to request Supreme Council to settle Upper Silesian question at once.

6. Commission to issue proclamation appealing to population to remain calm and to help to bring whole movement with its disastrous results to an early stoppage. Commission to add that a definite decision on Upper Silesian question has not yet been taken and to promise to place before Supreme Council ardent desire and . . .⁴ mind of Polish population.

Commission informed General Brandt that in any case he can agree to immediate resumption of railway service provided control left entirely in hands of present administration. As regards (1) above commission had always done their utmost to prevent Germans and Poles from fighting one another unnecessarily and would continue this policy. As regards (2) he was to enquire exactly what were the provisions of German-Polish treaty. As regards (3) reasonable claims would be given favourable consideration. There would be no objection to (5) and (6) except that last sentence of (6) could in no circumstances be included in the proclamation having in view fact that German population had to be taken into consideration.

General Brandt was to make following demands:

a. Every advance and every attempt at further conquests was [*sic*] to cease immediately.

b. No attacks on persons or property were to be made.

c. Work and railway service to be resumed immediately. None of the above in any way to bind Supreme Council in its decisions.

Repeated to Paris, Berlin and Warsaw.

⁴ The text is here uncertain.

No. 44

Mr. Max Muller (Warsaw) to Earl Curzon (Received May 9, 11.35 a.m.)

No. 235 Telegraphic [C 9446/92/18]

WARSAW, May 8, 1921, 8.1 p.m.

Your telegram to Paris No. 222¹ and Paris telegram No. 256.²

Oppeln telegram No. 89 indicates that Korfanty is master of the situation in greater portion of Upper Silesia and is dictating terms for withdrawal of insurgent troops.³ Despatch of sufficient reinforcements to re-establish

¹ No. 36.

² No. 38.

³ Not printed; cf. No. 39, n. 3. The reference is to the last sentence of the telegram which read as follows: 'Korfanty has notified French General that he is ready to recall insurgents but added that he must have some pretext for doing so.'

authority of commission would undoubtedly be best and safest course, but that unfortunately appears to be impossible.

I venture to express hope that with an eye to future nothing should be done which might be interpreted as recognizing and perpetuating success of Korfanty's raid. The Poles have already had good reason to believe in doctrine of might, and any appearance of yielding to the *fait accompli* now would confirm them in this belief and render them deaf to advice of Western Powers, and a perpetual menace to stability of present order of things in Central and Eastern Europe.

At the same time I agree with French Government that in view of tremendous excitement in Poland and the manifest inability of Government to control it, the greatest care should be exercised not to produce an outburst of indignation here which might easily sweep away all restraint and land Central Europe in war or something very near akin to it.

Repeated to Paris and Oppeln.

No. 45

Lord Hardinge (Paris) to Earl Curzon (Received May 10, 9.45 a.m.)

No. 258 Telegraphic [C 9581/92/18]

Urgent

PARIS, May 9, 1921, 8.15 p.m.

The Conference of Ambassadors this morning met to consider further the question of Upper Silesia.

They had before them report of Inter-Allied Military Committee of Versailles on proposal of His Majesty's Government set forth in Your Lordship's telegram No. 222.¹ The Versailles Committee recommend rejection of these proposals of His Majesty's Government on grounds already given in my telegram No. 256.²

Copy of their report is enclosed in my despatch No. 1341 of today.³

In the meanwhile General Lerond, who had been consulted by French Government with regard to your Lordship's proposals, has urged as a further reason for their rejection that Commission could not evacuate Oppeln which is administrative centre of district, obviously producing a state of absolute chaos and that as things are at present Allied troops (? are not) in a position to effectively control central district where Polish insurgents are in possession or to dislodge them. In consequence of these unfavourable reports French Government definitely rejected Your Lordship's proposal.

I did my best to urge Your Lordship's proposals on the Conference (? notwithstanding) their unfavourable reception and argued more particularly that both Colonel Percival and General de Marinis were in favour of them. (See Colonel Percival's telegrams Nos. 90 and 91.)⁴

The Italian Ambassador, while agreeing that General de Marinis approved

¹ No. 36.

² No. 38.

³ Not printed.

⁴ Nos. 39 and 41 respectively.

of Your Lordship's proposals in principle, pointed out that General de Marinis also insisted on Allied troops continuing to hold Oppeln. In any case Count Bonin's instructions only authorised him to support British proposals in the event of their being accepted by other members of Conference and I regret to state that I received no further support from any other quarter.

In the circumstances I saw no good in further pressing Your Lordship's proposals on my colleagues but I asked Monsieur Cambon whether French Government has [? had] any counter-proposals to make since they considered those of His Majesty's Government to be unacceptable. Monsieur Laroche⁵ speaking on behalf of French Government and basing himself on telegrams despatched by Commission on May 7th (copies of which were enclosed in my despatch 1342 May 9th)⁶ and on a subsequent telegram from General Lerond, took line that an early and satisfactory termination of revolt might be expected and argued in effect that best course for Conference to adopt would be to take no decision but to simply wait for present excitement to calm down inasmuch as insurrection was largely result of false news which had led Polish population to believe that Allied Governments had already taken a definite decision with regard to division of plebiscite territory between Germany and Poland. He moreover considered it important to avoid any partial decision which might prejudice French scheme whereby Poland in return for Silesian mines should assume (? part of) Germany's obligations in the matter of reparation.

I communicated to Conference the first paragraph of Colonel Percival's telegram No. 91 and Count Bonin communicated a telegram from General de Marinis, both showing that situation far from improving, has grown worse since 7th instant. In the circumstances I objected to Conference sitting with folded hands and doing nothing as French suggested, and proposed that Conference should address itself forthwith to Polish Government in the sense indicated in Your Lordship's telegram No. 231.⁷ It was agreed in principle that a warning should be addressed to Polish Government on these lines and actual text is being prepared this afternoon for final approval. The note will be telegraphed to French Minister at Warsaw who will invite his British and Italian colleagues to join with him in presenting it to Polish Government. At United States Ambassador's request United States Minister will not be asked to join in these representations.

Monsieur Laroche took the opportunity of suggesting that similar representations should be addressed to German Government in view of growing agitation reported from Berlin and alleged danger of Reichswehr entering Upper Silesia. I replied that I could not agree to German and Polish Governments being assimilated [? associated] in this matter and pointed out that a warning had been addressed to German Government in March (see my telegram No. 147, March 16th, section 2),⁸ that nothing had occurred since

⁵ Assistant Director of Political and Commercial Affairs in the French Ministry of Foreign Affairs.

⁶ Not printed.

⁷ No. 42.

⁸ Vol. XI, No. 168.

to justify its renewal and that their attitude hitherto had been absolutely correct.

Finally on the understanding that intention was only to strengthen the hands of German Government in face of popular agitation, it was agreed that Conference should advise Allied Governments to instruct their representatives at Berlin to inform German Government of action which was being taken at Warsaw and ask them to act in cooperation with Allied Governments in efforts to restore order in Upper Silesia.

On Count Bonin's suggestion it was further decided in order to clear up misunderstanding under which Polish population were labouring to instruct Plebiscite Commission to issue a further proclamation explaining that Allied Governments had taken no decision in regard to partition of plebiscite area.

Finally both French and Italians raised question of further military reinforcements, pointing out that not only (? were) such reinforcements required at present moment, but that they would be particularly necessary when final decision of the fate of Upper Silesia is announced. As neither French nor Italian Governments see their way to supplying reinforcements, I was asked whether British troops would be available. I stated that I could hold out no such hope at present time but I undertook at the request of Conference to impress upon His Majesty's Government desirability of sending British troops if possible later on when final decision of Allied Governments is given.

Addressed to Foreign Office No. 258, repeated to Oppeln, Warsaw, Berlin and Rome.

No. 46

Lord Hardinge (Paris) to Earl Curzon (Received May 10)

No. 261 Telegraphic: by bag [C 9624/92/18]

PARIS, May 9, 1921

Pertinax¹ in Sunday's 'Echo de Paris' discussed in detail the proposals of His Majesty's Government regarding Upper Silesia set forth in Your Lordship's telegram No. 222² and declared them unacceptable. This information must have been communicated to him immediately after the Conference of Ambassadors on Saturday³ notwithstanding the decision of the Conference to issue an agreed statement for the press in which no mention was made of the proposals of His Majesty's Government. Again, in the French portion of today's 'Daily Mail' it was announced that the Interallied Military Committee of Versailles, having examined the proposals of His Majesty's Government, had rejected them as unworkable. Thus the 'Daily Mail' knew the sense of the Versailles Committee's report before the members of the Ambassadors' Conference.

I called the attention of the Conference to these statements in the press and protesting strongly against such very incorrect procedure, asked for an

¹ *Nom de plume* of M. André Géraud, a prominent French political journalist.

² No. 36.

³ i.e. May 7, see No. 38.

explanation as to how such a leakage had occurred. M. Cambon expressed his deep regret but was unable to offer any explanation. He promised however that an enquiry should be held at once and I will not fail at the next meeting of the Conference to demand the result of this enquiry.

Generally speaking, the French press while carrying on considerable Polish propaganda has adopted the attitude of the French Government which is to minimise as far as possible the gravity of the present situation so as not to prejudice the position of the Polish Government. A telegram in today's 'Echode Paris' goes so far as to assert that the insurrection is purely industrial and in no sense political, that it broke out spontaneously and has in no sense been organised by Korfanty.

M. Briand is reported in 'Eclair' today as having said to journalists some days ago that after studying the treaty minutely he has come to the conclusion that the French Commissioner's report was the only one in harmony with the treaty. The author of this statement is not however a reliable reporter.

No. 47

Mr. Max Muller (Warsaw) to Earl Curzon (Received May 10, 5.15 p.m.)
No. 239 Telegraphic [C 9637/92/18]

WARSAW, May 9, 1921, 11.49 p.m.

Your telegram to Paris No. 231.¹

My telegrams will have shown that I share view that Polish Government cannot be absolved from responsibility for Upper Silesian insurrection, but I would repeat that in spite of Vilna precedent² French Minister and I feel convinced they were taken by surprise by actual outbreak. (? What I) principally blame them for is unpardonable weakness in dealing with situation at outset while the various Government communiqués have been laughable.

I am inclined to question the accuracy of statement that movement has already been supported by regular Polish military formations though no doubt many officers and troops are deserting from regular troops to insurgents in spite of emphatic denial given by Marshal Pilsudski to French Minister yesterday. Younger French officers are reported to be encouraging these acts of madness though General Niessel, usually a very bad political adviser, told French Minister yesterday that Polish army was not in a position to provoke Germans and could not possibly stand up against them.

As to closing frontier it is only fair to state that General Szepticki³ when last in Warsaw told me he dared not place sufficient troops on frontier for fear of arousing suspicions of Germans and allied Governments, and even

¹ No. 42

² The reference is to the seizure of Vilna in October 1920 by Polish troops under General Zeligowski (see Vol. XI, Nos. 564 ff.).

³ Polish general commanding at Cracow.

now there is the danger that by placing large bodies of Polish troops on frontier number of deserters to insurgents would be increased. In order to avoid this danger so far as possible Marshal Pilsudski has ordered that only Galician troops and no Posnanians shall be employed for the work.

Repeated to Berlin and Oppeln.

No. 48

Colonel Percival (Oppeln) to Earl Curzon (Received May 10, 3 p.m.)

No. 95 Telegraphic [C 9626/92/18]

Urgent

OPPELN, May 10, 1921, 4.40 a.m.

There is no improvement in the situation. French military authorities estimate strength of insurgents at over 60,000.

General Gratier, Commander-in-Chief of allied forces, who had just returned from a tour in Rybnik and Pless, stated, 'Country is entirely calm. Poles are, however, complete masters of situation in country and nothing can be done to alter this. They are extremely well organized and will not hear of any suggestion that they should withdraw.'

Police under a British officer were engaged this morning with insurgents at Leschnitz [*sic*] and this afternoon insurgents captured Kandrzin station. This evening reports have reached me that Germans in Kreuzburg some 5,000 strong, intend to attack Rosenberg to-night and that Poles in retaliation have threatened to shoot all the Germans in Rosenberg.

Herr von Mol[t]ke¹ is proceeding to attempt to stop this.

It is not yet confirmed that work has been actually resumed in mine . . .² just . . .² from Mr. Saxton, British official in Department of Economics, that this is not yet the case.

Repeated Warsaw, Paris and Berlin.

¹ Temporary representative of the German Government at Oppeln.

² The text is here uncertain.

No. 49

Colonel Percival (Oppeln) to Earl Curzon (Received May 10, 3.45 p.m.)

No. 96 Telegraphic [C 9629/92/18]

Urgent

OPPELN, May 10, 1921, 1.43 p.m.

In continuation of my immediately preceding telegram¹ General de Marinis is disinclined to incur any further casualties amongst Italian troops. His view is that having regard to the overwhelming superiority of insurgents serious operations should be avoided as they lead to unnecessary bloodshed without any possibility of attaining any useful results. In this he is supported

¹ No. 48.

by the French. Insurgents in their turn also avoid where possible fighting against Allied forces. The British district controllers remain everywhere at their posts including those at Rosenberg and Lublinitz which are now entirely evacuated by Allied forces and police. Their principal duties are to protect Germans in territory occupied by insurgents and to restrain German population in (? dangerous) (? period) . . .² rising. As reported in my immediately preceding telegram considerable number of them have no faith in their French colleagues whom they consider to be guilty of strong partisanship towards Poles.³ Additional reports to this effect are still coming in from out-districts from which we were previously cut off but I am glad to say that so far there is no open breach between British and French officials.

Repeated to Warsaw, Berlin and Paris.

² The text is here uncertain.

³ The reference is to Oppeln No. 94 of May 9, not printed.

No. 50

Earl Curzon to Lord Hardinge (Paris)

No. 233 Telegraphic [C 9374/92/18]

Very urgent

FOREIGN OFFICE, May 10, 1921, 2.5 p.m.

Your telegram No. 256 (of May 7th: Silesia).¹

1. In face of situation of extreme gravity the Ambassadors' Conference have, so far, confined their action to sending instructions to Plebiscite Commission, in accordance with my telegram No. 223 (of May 6th),² to renounce [? denounce] disorders and proclaim determination of allied Governments to be guided by the treaty alone. My proposal that a joint allied communication should be addressed to the Polish Government appears to have been disregarded, although it must be obvious that the situation is sufficiently acute to justify this, and to warrant its being couched in the sternest terms. You should therefore press energetically for the adoption of the proposal contained in my telegram No. 231 (of May 8th),³ supporting it by arguments drawn from the evidences of Polish sympathy (if not actual complicity), which have now become extremely strong, and by dwelling upon the encouragement which has been given to Korfanty in the past. As regards this last point, it will be remembered that our demand for his expulsion by the Commission was rejected on the ground that assurances for his future good behaviour had been given by the Polish Government.⁴ Despite those assurances, the

¹ No. 38.

² No. 33.

³ No. 42.

⁴ For the Plebiscite Commission's refusal to agree to M. Korfanty's expulsion from Upper Silesia, see Vol. XI, No. 117; for the reluctance of the Conference of Ambassadors, see *ibid.*, No. 128. In a private letter of May 9 to Lord Curzon, not printed, Lord Hardinge had written: 'I intend to take a very early opportunity of rubbing into both Briand and Berthelot [Secretary-General of the French Ministry of Foreign Affairs] that however much the Polish Government may be responsible for the Polish outbreak, each of them is a "particeps criminis" owing to their opposition to the expulsion of Korfanty from Upper Silesia, and

Polish Government have never acted in the manner we should have expected of any Government anxious to dissociate themselves from the present movement. Had they done so, Korfanty would have been recalled long ago, the frontier would have been closed, and in all probability the present troubles would have been avoided. In the light of these facts, the now renewed protestations of the Polish Government bear a most equivocal colour.

2. The joint communication which His Majesty's Government consider to be imperatively required might follow the general lines of my telegram No. 231, and should make clear to the Polish Government that, if they fail to restrain the insurrection, the allied Governments will not be in a position to exercise any restraining influence on the Germans. It should conclude with a warning of the danger that Poland is incurring of alienating the sympathies of those very countries whose friendship and goodwill are essential for her future well-being.

3. But the situation requires that the Ambassadors' Conference should, in addition, take immediate and practical steps to prevent its development into a European danger. Monsieur Cambon suggests that the Commission should be instructed to endeavour to submit a unanimous report.⁵ This in my opinion is futile. No agreement can be expected from the Commission in existing circumstances. His Majesty's Government on the other hand have submitted a proposal (see my telegram No. 222)⁶ designed to ease the situation without prejudice to the final result. This proposal has been set aside on grounds so unconvincing as strongly to suggest that serious consideration cannot have been accorded to it. I still think it the best method of meeting the situation, and I should be glad if it could be carefully reconsidered.

4. If this is impracticable, you should make it plain that the only other solution lies in the Ambassadors' Conference undertaking the examination of the Commission's report and reaching a decision upon it without further delay and this should be done at once, either at Paris or here. We are ready to furnish expert advice in either contingency.

Repeated to Berlin No. 92, Warsaw No. 117, Rome No. 182 and Oppeln No. 39.

I shall remind them that what has happened is what we have always prophesied from the month of December last. Although it is too late now, nevertheless I think it does the French Government good to rub into them their shortcomings.'

⁵ See No. 38.

⁶ No. 36.

No. 51

Earl Curzon to Lord Hardinge (Paris)

No. 234 Telegraphic [C 9374/92/18]

Very urgent

FOREIGN OFFICE, *May 10, 1921, 2.5 p.m.*

Silesia.

The following considerations will be useful to you in reinforcing the arguments contained in my immediately preceding telegram.¹

¹ No. 50.

1. Our reports indicate that the French troops, while they have in some cases actually obstructed or frustrated attempts to resist the insurgents, have in general adopted a passive attitude.² Whatever technical military considerations may be urged, the broad fact remains, that some 10,000 troops, equipped with artillery and tanks, have been powerless against forces which can be little more than a half organised rabble. This argues, if nothing else, a military incompetence that calls for serious enquiry. It will be well to emphasize this aspect of the situation.

2. Unless conjoint allied representations are addressed to the Polish Government, there is a serious danger of each Great Power giving its advice separately, and possibly in divergent senses. The mere fact that His Majesty's Government feel as strongly as they do about the present conduct of the Polish Government shows the reality of this danger. Past experience justifies us in being extremely apprehensive on this score, and you should leave your colleagues in no doubt that we are not prepared to assume the responsibility of connivance in a negative attitude.

Repeated to Berlin No. 93, Warsaw No. 118, Rome No. 183 and Oppeln No. 40.

² See, e.g., No. 49.

No. 52

Colonel Percival (Oppeln) to Earl Curzon (Received May 11, 2.15 p.m.)

No. 97 Telegraphic [C 9714/92/18]

Urgent

OPPELN, May 11, 1921, 2.50 a.m.

Korfanty has notified General Brandt [de Brantes] that he accepts demands outlined in my telegram No. 92¹ and that insurgents have been ordered to stand fast and cease fire. It remains to be seen whether this order will be carried out. At the present moment there are unconfirmed rumours that Cosel is being attacked. In fight for Kandrezin [Kandrzin] yesterday Poles used field artillery.

German forces at Kreutzburg are under the command of Von Arnim. They are rapidly increasing and a considerable number are in uniform. Polish force at Rosenberg about 3,000 strong, which Korfanty declares to be an independent force not under his orders, has declared its willingness to negotiate with Germans for an armistice of forty-eight hours but it is unlikely that Arnim's force can be restrained.

General Lerond declared this morning that it would be impossible to resume our deliberations on subject of settling of frontier line for the present; our hands are full with dealing with present situation.

I also think it would render situation more difficult than ever as news would leak out and Germans would interpret it as a conditional [? additional] endeavour to alter our proposals to the benefit of the Poles, and it would then

¹ No. 43.

be quite impossible to prevent civil war. Besides it is difficult to see how we can agree to any concessions in view of our promise that Poles are not to be allowed to benefit by insurrection.

Repeated May 11th, 3.30 p.m. to Paris No. 240, Warsaw No. 119 and Berlin No. 102.

No. 53

Lord Hardinge (Paris) to Earl Curzon (Received May 12, 9.15 a.m.)

No. 266 Telegraphic [C 9758/92/18]

PARIS, May 11, 1921, 8 p.m.

Your telegrams Nos. 233 and 234 of May 10th.¹

Upper Silesia.

My telegram No. 255 (? 258)² went off at 8.30. p.m. [*sic*] on May 9th [? and] should have been in Your Lordship's hands before despatch on May 10th of above telegrams. It will have shown Your Lordship that conference were making representations to Polish Government on lines indicated in Your Lordship's telegram No. 231³ and that it is really quite impracticable to press further proposals contained in Your Lordship's telegram No. 222.⁴

The text of note to Polish Government as approved by conference, copy of which was enclosed in my despatch No. 1343,⁵ represents the utmost limit to which French were prepared to go and was only obtained with some difficulty after several hours of discussion, the French being obviously unwilling to do anything which might in any way affect their relations with Polish Government.

I regret that Your Lordship should think that serious consideration has not been given to proposal contained in your telegram No. 222. It had been most carefully examined and discussed both by conference itself and by Inter-Allied Military Committee of Versailles and I venture to submit that reasons which have led to its rejection by the conference are not altogether without force.

In any case now that it has been finally rejected, there remains Your Lordship's alternative proposal to the effect that an immediate attempt should be made to fix the Upper Silesian frontier either by the Conference of Ambassadors or in London. I am afraid that if Conference of Ambassadors undertook this task they would be just as incapable as commission itself to reach a unanimous report in the present circumstances. I think Your Lordship should realize that French Government are absolutely determined to insist on the cession of the whole industrial (? area) to Poland subject

¹ Nos. 50 and 51 respectively.

² No. 45.

³ No. 42.

⁴ No. 36.

⁵ Not printed. In this note of May 9 to the Polish Government, the Conference of Ambassadors called upon the Polish Government: 'désavouer publiquement et catégoriquement les fauteurs de désordre, et de prendre les mesures les plus sévères pour éviter toute collusion avec les agitateurs silésiens, sous quelque forme que ce soit'.

to Polish Government assuming a corresponding proportion of German reparation debt and to the establishment of an Inter-Allied commission to exploit area for this purpose. This scheme is advocated in General Lerond's report and has been frequently referred to since by French representatives at Conference. I fear that no pressure that I could bring to bear here would make them depart from this point of view.

The Upper Silesian question, particularly in view of its connection with reparations, cannot in my opinion be treated apart from general question of relations between Allies and Germany and of relations between His Majesty's Government and French Government and is therefore one which Supreme Council alone can decide. This is so much the case that, even in unlikely event of a decision being reached by Conference of Ambassadors, that decision would inevitably be liable to be over-ruled by Supreme Council in light of general policy. I shall therefore await further instructions from Your Lordship before taking action as suggested.

I am grateful for arguments supplied by Your Lordship in your telegram No. 234 but I fear that recriminatory character of those used in paragraph 1 is such as make it very doubtful whether any useful end would be secured by bringing them forward at present juncture, particularly at Conference in presence of Marshal Foch and other French military authorities who would undoubtedly take umbrage at their use.

Your Lordship will realize how invidious it is, having regard to withdrawal of British troops from Upper Silesia to criticize conduct of operations by other Allied troops in that area.

Addressed to Foreign Office. Sent to Oppeln, Warsaw, Berlin and Rome.

No. 54

Mr. Max Muller (Warsaw) to Earl Curzon (Received May 13, 3.30 p.m.)

No. 242 Telegraphic [C 9863/92/18]

WARSAW, May 11, 1921, 9.35 p.m.

Lord Hardinge's telegram No. 258.¹

Identic note was presented to M. Dombiski² yesterday afternoon by French Minister, Italian Chargé d'Affaires and Mr. Hoare.³

I was unfortunately not well enough to go out.

M. Dombiski whose knowledge of French is very limited confined himself to a reiteration of his assurance that Polish Government was doing everything possible to deal with the situation.

I saw M. Dombiski this morning. He had meanwhile mastered contents of note and declared that Government were doing their best to carry out wishes expressed therein. Already last night orders had been issued by Minister of the Interior to strengthen guards on frontier and to investigate

¹ No. 45.

² M. Dąbski was Polish Under-Secretary of State for Foreign Affairs.

³ First Secretary in H.M. Legation at Warsaw.

instances of passing of frontier by lorries, and by Polish wounded, and (? German) (? prisoners) which I had communicated to him. He promised a reply to note . . .⁴

He then referred to speech delivered yesterday by President of the Council of which I am telegraphing⁵ a summary, as affording convincing proof of fixed determination of Government to control situation both in Upper Silesia and in Poland even at the cost of their own popularity. I replied that I had only had time to glance at a translation of speech but that, even making every allowance for difficult position of Polish Government and peculiar mentality of Poles, I failed to see any cause for satisfaction in speech.

M. Witos had devoted nearly all his time to restating all the old arguments in justification of Upper Silesians and Poles and had uttered hardly one word of blame. The only satisfactory part was his denial of any Government support of insurrection and his appeal to Polish nation to remain calm and leave Government to deal with question.

Repeated to Paris, Berlin, and Oppeln.

⁴ The text is here uncertain. In his telegram No. 247 of May 13, not printed, Mr. Max Muller reported that he had received the Polish reply which had 'every appearance of sincerity in assuring me of pacific intentions of Poland towards Germany and indicates that Polish Government was unable to act vigorously at beginning of Upper Silesian crisis owing to great public excitement'.

⁵ In Warsaw telegram No. 244 of May 11, not printed.

No. 55

Earl Curzon to Lord Hardinge (Paris)

No. 244 Telegraphic [C 9758/92/18]

*Sub-Committee.*¹ *Most urgent* FOREIGN OFFICE, *May 13, 1921, 12.47 p.m.*

Gravity of situation in Silesia and responsibility of Powers appear to us to be insufficiently appreciated at Paris.

Before Report of Allied Commission has had time to be considered by Allied Governments, a rebel Polish leader for whose expulsion we pressed unavailingly some months ago,² but who was then protected by French and Polish Governments, has, with scarcely concealed connivance of latter, overrun greater part of area in dispute, thereby flouting Allied Commission, and openly defying Treaty which all the Powers have signed.

French troops though in position to exercise commanding influence have not merely acquiesced in these proceedings, but are alleged to have shown active sympathy with insurgents³ and French General is reported in *Times* of yesterday to have made a speech which is tantamount to admission that *fait accompli* can be accepted without any loss of dignity to Allies.⁴ Meanwhile

¹ This indicated a high degree of urgency.

² i.e. M. Korfanty, see No. 50, n. 4.

³ Cf. No. 49.

⁴ For this statement of May 11, by General Le Rond, see *The Times*, May 12, p. 9.

Allied Commission appears to have abdicated its authority and to be functioning only on sufferance of the insurgents. When we submit a proposal for dealing with the situation thus created—the only practical suggestion that has so far been made—it is referred to a Military Committee under Marshal Foch and is rejected by them not on military but on almost exclusively political grounds, and these of the flimsiest description.⁵

When we suggest that attention of French Government should be called to conduct of their troops which is confirmed by every source of information official and unofficial but which so far as we know they have made no effort to explain, we are told that these statements cannot be made because they are invidious and recriminatory, and because they would offend Marshal Foch.⁶ If we are to be disabled from making any representation about conduct of French forces, because we have withdrawn our own, or because Marshal Foch would take umbrage, it would seem that complete impunity is given to French to do what they please in Silesia without interference or protest.

Policy of French Government is described by you as 'an absolute determination to insist on the cession of the whole industrial area to Poland'⁶ and this is to be achieved by connivance in an act of unlawful and predatory violence. If this be a correct description of French attitude, we think that they should be informed that His Majesty's Government cannot possibly acquiesce in any such development, and that, if it be persevered in, we cannot continue to exert pressure upon the Germans to desist from counter-measures for which they can already find no small excuse, and which it is easy for them, in view of their exclusive command of food and money, at present going to Silesian population, to apply. Such a situation, however, might easily develop into a crisis of extreme gravity which the Allied Powers should spare no effort to avoid.

We regret to hear from you that Ambassadors' Conference is incompetent to deal with the matter.⁶ For our part we feel that continued acquiescence in situation which I have described is fraught with so much danger that early discussion of the matter is imperative, and Prime Minister and I would be prepared to come to Boulogne to meet President of Council at any date that may be convenient to him. You should make earnest representation to M. Briand in this sense at your meeting with him this afternoon.⁷

⁵ See No. 45.

⁶ See No. 53.

⁷ See No. 60 below, n. 2.

No. 56

Colonel Percival (Oppeln) to Earl Curzon (Received May 14, 10.10 a.m.)
No. 103 Telegraphic [C 9882/92/18]

OPPELN, May 13, 1921, 3 p.m.

Commission yesterday made public statement that it had not in the past and would not in the future negotiate with Korfanty.

In commission General de Marinis proposed that a final effort should be made to clear the country by means of mobile columns consisting of both

French and Italian troops accompanied by artillery but it must be understood from beginning that such columns would have to deliberately attack and ruthlessly fire on insurgents whenever they met them making full use of artillery.

General Lerond said he could not possibly employ his troops in that [? way] without special authority from his government.

The position therefore now is that commission is not employing every means at its disposal for suppression of insurrection as promised in its first proclamation¹ and it is reduced to utter helplessness.

I cannot help feeling that my position here has become impossible in view of fact that I signed proclamation in which commission promised that every possible measure would be taken to suppress insurrection, and beg (? to suggest that) . . .² course (? would be) to accept my resignation, and I would further suggest that it may be desirable to consider withdrawal of whole of British section from Upper Silesia.

¹ For this proclamation of May 3, see *Journal Officiel de Haute-Silésie*, No. 20 of May 3.

² The text is here uncertain.

No. 57

Sir G. Buchanan (Rome) to Earl Curzon (Received May 14, 3.30 p.m.)
No. 165 Telegraphic [C 9920/2740/18]

ROME, May 13, 1921, 5 p.m.

Berlin telegram No. 202.¹

Minister for Foreign Affairs told me last night that before receiving my aide-mémoire embodying Your Lordship's telegram No. 99 to Berlin,² he had already replied to questions one and two in almost identic, though somewhat shorter terms. As regards question three he had expressed personal opinion that provided German Government loyally accepted and carried out terms of our ultimatum, threatened sanctions would be cancelled. He had refrained from expressing any views with regard to question four.

On my referring to Upper Silesia His Excellency said that he had addressed serious warning to Polish Government, but that he had not made up his mind on question of frontier and consequently had not yet sent any definite instructions to Italian Ambassador in Paris.

He was opposed to cession advocated by French Government of the whole of industrial area to Poland and considered that we ought in fixing frontier to be guided by principle of nationality.

Whatever cession we arrived at was certain to be resented by one or other, if not by both parties; and our aim should be to hand over to Germany as many Germans as possible, and to Poland as many Poles as possible.

Were a settlement on these lines to involve ceding to Poland considerable proportion of coal area, some steps ought to be taken to safeguard the rights of proprietors and to charge that area with an equitable proportion of German reparation debt.

¹ See No. 612, n. 1, below.

² No. 612, below.

His Excellency expressed himself in favour of question being dealt with by Conference of Ambassadors rather than by Supreme Council as an exchange of views between Ambassadors was, he thought, more likely to result in a compromise. I informed him of what Lord Hardinge in his telegram No. 266 had reported to Your Lordship on this subject,³ but His Excellency adhered to his point of view.

Repeated to Paris.

³ No. 53.

No. 58

Lord Hardinge (Paris) to Earl Curzon (Received May 13, 12 midnight)
No. 269 Telegraphic [C 9860/92/18]

Urgent

PARIS, May 13, 1921, 8 p.m.

Upper Silesia.

At Conference of Ambassadors this morning I referred [?] reported agreement between Korfanty and an emissary of General Lerond (see Colonel Percival's telegram No. 97 to Foreign Office).¹ This agreement, if correctly reported represented a complete capitulation to insurgents, and if such a situation were recognised by Allied Governments, German Government would be perfectly justified in claiming that we were not carrying out our obligations under the Treaty. I made it clear that I had not yet received any instructions from my Government, but said that personally I felt sure they would never recognise such an agreement.

I added in any case I could see no use in concluding an agreement with Korfanty who was no longer apparently the master of the situation, since he could neither feed nor pay industrial population of area which he had occupied. It was surely useless to expect that German Government would furnish money and food to a district in occupation of Polish insurgents. If Polish Government were powerless to intervene, and Commission in effect abdicated its authority over the most important part of area, it would be impossible to resist the demand of German Government to be allowed to come in to restore order.

I urged that the Governments concerned should consider the matter in this light. The Italian Ambassador supported me, and in particular expressed regrets that in negotiations with Korfanty, no demand had apparently been made for compensation or apology for casualties sustained by Italians. He said the only basis for an agreement with insurgents was complete restoration of authority of Commission, and it was essential that Polish Government should be made to realise this.

The French, as usual, harped on the German danger, as if it were the principal feature of the situation, and would not be drawn into any statement of policy, except that they again urged that whole difficulty arose from insufficient Allied forces.

Repeated to Oppeln, Berlin, Warsaw and Rome.

¹ No. 52.

Lord D'Abernon¹ (Berlin) to Earl Curzon (Received May 15, 12 noon)
No. 218 Telegraphic [C 9894/92/18]

BERLIN, May 13, 1921, 10.55 p.m.

Chancellor called on me this morning accompanied by permanent Secretary of State for Foreign Affairs Von Haniel.

After saying that he knew me well enough to be sure that I always liked (? discussing) matters (? frankly), he added [? and adding] that he should continue, as Chancellor, attitude of sincerity and straight talking which he had followed as Minister of Finance, Doctor Wirth² entered upon question of Upper Silesia. He declared that situation was most critical, that German population had hitherto remained quiet under intense provocation but that he could not hope to restrain them unless fair play was put into practice and was supported by force. He gratefully recognised declarations of English Prime Minister in the House of Commons³ but fair play must be carried out and not only talked about.

As a fellow deputy he knew Korfanty well and Korfanty was as obstinate as a bull.⁴ Nothing would stop him but force. Moment he saw that British Government intended to use force he would begin to think of giving way; until then nothing was of any use. French troops had fraternised with Poles too much to have any authority.

Wirth was convinced that if (? only) a few (? English) troops were sent the whole situation would change. Even news of their (? future) arrival would make a (? considerable) difference.

Information had just reached him that German Commissioner Prince Hatzfeldt had resigned apparently on the ground that the International Commission was either powerless or unwilling to carry out its pledges to him. Chancellor regarded this resignation as a serious aggravation of the position. In reply I urged Chancellor to exercise his utmost influence to keep German population in hand and gave him assurances regarding Upper Silesia contained in your telegram No. 99.⁵

On the subject of internal politics Wirth said that he had already . . .⁶ majority Socialists, Democrats and Centre (? and) he was in negotiation with German People's Party and was confident of success in (? enlist)ing their support—a support he regarded as necessary in order to assure the co-operation of the big industries.

At close of interview I congratulated His Excellency upon political *coup d'état* here which had in my judgment gone long way to (? avert) a dangerous European crisis.

¹ Lord D'Abernon had returned from London on May 9.

² Dr. Wirth had formed a new government on May 10.

³ See, e.g., 141 *H.C. Deb.* 5 s., col. 1514.

⁴ M. Korfanty and Dr. Wirth had both been deputies in the Reichstag before the war of 1914-18.

⁵ See No. 57, n. 2.

⁶ The text is here uncertain.

Lord Hardinge (Paris) to Earl Curzon (Received May 14, 9.50 a.m.)

No. 270 Telegraphic [C 9873/92/18]

Very urgent

PARIS, May 13, 1921, 11.17 p.m.

Your Lordship's telegram No. 244 of to-day.¹

I called on President of the Council this afternoon and communicated to him the substance of your telegram.

Although I had attenuated its form, he was much perturbed and showed some irritation over its contents.²

He asked me to remind you that the moment he heard, when in London, of rising in Upper Silesia he had sent most urgent and immediate orders to French representative at Warsaw and also to General Lerond to do everything in their power to put down insurrection and to prevent it spreading and that he had told you of action he was taking.

Since then he had never ceased to exercise the utmost pressure upon Polish Government and representations had been repeatedly made to them. Far from giving them any encouragement, the French Government had gladly approved of very severe message sent by Conference of Ambassadors to Polish Government and he took credit for fact that Polish frontier has for some time been closed³ as being due to strong representations he had made both to Polish Minister for Foreign Affairs when in Paris and through French Minister at Warsaw.

Monsieur Briand expressed himself as most hurt by reference in Your Lordship's telegram to sympathy alleged to have been shown by French to insurgents and he stated that far from being complacent in their attitude they had suffered loss in killed and wounded while protecting Germans from Poles and collecting them into towns where they would be in greater safety.

In spite, however, of these actions in defence of Germans, a French General and other French officers had been insulted and molested by Germans. Had there been 50,000 troops available the rising could not have taken place but fact that there were only 12,000 men at disposal of General Lerond and that they had been able to protect the Germans, where they were in a minority, was a sufficient justification for their actions while losses they had suffered proved disinterestedness of their attitude. Unfortunately, Colonel Percival's telegram No. 80 did not reach me in time to make use of facts it contained.⁴

The rejection of Your Lordship's proposal was owing to the grave danger that would have been incurred by its adoption, not only to French and Italian troops but also as being likely to provoke an outbreak of hostilities between

¹ No. 55.

² The *aide-mémoire* handed by Lord Hardinge to M. Briand is not printed.

³ In his telegram No. 232 of May 7 (received May 8) Mr. Max Muller reported that the Polish Government had officially declared the frontier closed.

⁴ The reference is probably to Oppeln telegram No. 103 to the Foreign Office, i.e. No. 56.

Poles and Germans that might have ended in war. It was on these grounds that French Government had rejected your proposal.

He denied that policy of French Government was to insist on cession of whole industrial areas to Poland. France would abide by Treaty and only those districts where there was a Polish majority would be ceded to Poland. The fact that a district was rich was no reason why it should be ceded to Germany. I pointed out that Monsieur Laroche had stated more than once at Conference of Ambassadors that policy of French Government was cession of whole industrial areas to Poland subject to Polish Government assuming a corresponding proportion of German reparation debt. He denied that this was the case and stated his desire that a line should be drawn in conformity with voting. I expressed the opinion that it was unfortunate that if such was his view that representative of Government at Ambassadors' Conference had conveyed an entirely different impression.

At the same time he said that he had information that German bands were crossing the frontier and were already attacking at various points and that danger to be apprehended from the German action was very serious.

As regards proposed meeting, he objected that discussion of Upper Silesian question was one for the Supreme Council and not a question to be solved by British and French Governments alone. I pointed out however, that an agreement between our two Governments was most essential and that an informal meeting at Boulogne such as had recently taken place at Lympe⁵ would certainly tend to clear the air and undoubtedly would have a beneficial effect in finding a solution of the Silesian problem. Finally he agreed in principle to a meeting with the Prime Minister and Your Lordship to be arranged to take place after the 19th instant when he has to meet the Chamber of Deputies and where he will have to answer several interpellations on his foreign policy.

I am glad that I shall have the opportunity of explaining the situation personally to Your Lordship in greater detail in the near future.⁶

⁵ See No. 23, n. 2.

⁶ See No. 70 nn. 1 and 4, below.

No. 61

Lord Hardinge (Paris) to Earl Curzon (Received May 14, 8.30 a.m.)

No. 271 Telegraphic: by bag [C 9861/92/18]

PARIS, May 13, 1921

My immediately preceding telegram: Upper Silesia.¹

In reply to your telegram No. 244,² I would venture to point out that the proposal in Your Lordship's telegram No. 222³ was rejected not by the Versailles Committee, whose report was not the deciding factor, but by the Conference itself. The refusal of the French Government to accept it was foreshadowed in my telegram No. 256,⁴ and at the following meeting of the

¹ No. 60.

² No. 55.

³ No. 36.

⁴ No. 38.

Conference—see my telegram No. 258⁵—they definitely pronounced against it, not solely or even principally on the grounds given by the Versailles Committee, but because they thought it would prejudice their scheme for allocating the whole of the industrial area to Poland. The execution of the scheme depended almost entirely on French troops. It was impossible to carry it in the face of the refusal of the French Government even if my other colleagues had supported me, which however they failed to do.

Your telegram No. 234⁶ which contained the considerations regarding the action of the French troops arrived after the Conference had reached a decision on the above proposal as well as on the proposal to make representations to the Polish Government. Though I pointed out to Your Lordship the embarrassing position in which the use of these arguments would have placed me, I should not have hesitated to use them if they had reached me prior to the meeting of the Conference.

⁵ No. 45.

⁶ No. 51.

No. 62

Lord Hardinge (Paris) to Earl Curzon (Received May 14, 8.30 a.m.)

No. 272 Telegraphic: by bag [C 9862/92/18]

PARIS, May 13, 1921

My telegram No. 261 of May 9th:¹ Press indiscretions regarding Upper Silesia.

I enquired this morning at the Conference of Ambassadors what was the result of the investigations which the Ministry of Foreign Affairs had promised to make regarding the source of the revelations which had appeared in the press on the subject of the deliberations of the Conference of Ambassadors. Monsieur Laroche said that he had personally interviewed 'Pertinax', who would not divulge the source of his information but who had assured him positively that it had come from no one in the Ministry. As regards the publication of the report of the Allied Military Committee of Versailles he had been able to ascertain nothing.

After giving this somewhat unsatisfactory explanation, Monsieur Laroche retaliated by complaining that the text of the protest addressed by the Conference of Ambassadors to the Polish Government was communicated in London to the correspondent of the 'Vossische Zeitung'.² The French Government feel that the fact of this communication having been made to the German press encourages Germany in her hostile attitude towards Poland

¹ No. 46.

² In the course of a minute dated May 14 Mr. Waterlow wrote: 'I have ascertained that this is false. The Vossische Zeitung man came to the News Department and said "I see in the Daily Express a report that the Ambassadors have sent a protest to Warsaw. Is this true?" He was told that a note had been sent, that the News Department had not seen the text, but that the Daily Express report seemed to be the sort of thing that would have been sent.'

Sir E. Crowe agreed that Lord Hardinge should be informed accordingly.

and creates a reaction in Poland which tends to diminish the effect of the representations made by the Conference of Ambassadors in Warsaw.

The 'Echo de Paris' had today an editorial note to the effect that as the French Government were determined to allot to Poland the whole of the industrial area of Upper Silesia, it is doubtful whether they will agree to discuss the question in the Supreme Council unless they are certain beforehand that the other Allied Governments will accept their views in this matter since, in the opinion of the French Government, the question gives rise to a larger issue which does not permit of compromise. I called Monsieur Cambon's attention to this statement and was assured by him that it was in no sense official.

No. 63

Lord Hardinge (Paris) to Earl Curzon (Received May 14, 10.10 a.m.)

No. 273 Telegraphic [C 9874/92/18]

PARIS, May 13, 1921, 11.18 p.m.

I learn from sources, which I believe to be reliable, that Monsier Briand has given assurances that if any regular German troops go into Upper Silesia the Ruhr will be occupied automatically and immediately without any consultation with the Allies.

No. 64

Lord Hardinge (Paris) to Earl Curzon (Received May 14, 9.45 p.m.)

No. 275 Telegraphic [C 9909/92/18]

Urgent

PARIS, May 14, 1921, 4.30 p.m.

Practically whole of French press protests loudly against Prime Minister's speech on Upper Silesia.¹

'Pertinax' accuses Mr. Lloyd George of wishing to force France's hand by imposing on her an anti-Polish policy and a diplomatic *fait accompli*, but France will not allow a single part of industrial area to be taken away from her eastern ally. Like Mr. Lloyd George, France intends to see justice done between Allies and Germany but history teaches that in practice treaty of Versailles will only work effectively if Ruhr and Upper Silesia (Germany's arsenals) are under control of Allies and their friends. In any case Poland is entitled to industrial district, since it is impossible to accept Mr. Lloyd George's paradox that Poles are foreigners who have come into district of recent years.

The patience of France at London Conference was put to a severe test, when she was deprived for the time being of an indispensable pledge.²

¹ For Mr. Lloyd George's speech of May 13, see 141 H.C. Deb. 5 s., cols. 2380-8.

² For the French proposals at the Fourth Conference of London for the occupation of the Ruhr, see Vol. XV, No. 71, Appendix 2, and for M. Briand's pledge to the French Chambers, see *ibid.*, No. 76, p. 510 and p. 510, n. 1.

Now in addition she is called upon to welcome spectacle of Germany . . . -ing³ revenge at Oppeln and Kattowitz. However the English scheme requires 60,000 men in Upper Silesia; has Downing Street got them? France on the other hand is strong enough to keep Germany in order.

In other papers regret is expressed that Upper Silesian question has not been left to Conference of Ambassadors but it is realized that Supreme Council must now deal with it. It is asked whether, in order to obtain acceptance of recent ultimatum by Germany, Prime Minister has not promised her the abolition of military and economic sanctions adopted in March and April which France is determined not to abandon until Germany has given proof of her lasting goodwill.

The 'Petit Journal' condemns Mr. Lloyd George's arguments as contradicted by history. The 'Figaro' regrets that when position is so serious Prime Minister should allow himself to be influenced by his well-known antipathy to Poland which can only encourage Germany's hopes for revenge. On the other hand the 'Victoire' protests against assertion in 'Echo de Paris' that France will insist on industrial area being ceded to Poland and points out that the fixing of frontier is a matter for principal allied powers by whose decision France must abide.

Likewise the 'Gaulois' acknowledges that Poles have put France in a very embarrassing position since their action authorises Germans to act in the same way, but asks whether Mr. Lloyd George's indignation is not in part provoked by certain engagements which have been contracted with Germans in return for their acceptance of recent ultimatum and that British Government fear that Polish rising may make their execution impossible. Even our best French friends in and out of the press view Prime Minister's speech with dismay. Philippe Millet⁴ deplores particularly the effect likely to be produced in France by suggestion that Allies might authorise Germany to restore order. He equally deplores supposed activity of British diplomacy in proposing evacuation of the Ruhr (? port)s.⁵

³ The text is here uncertain.

⁴ A prominent French political journalist.

⁵ For discussions leading to the occupation of the Ruhr ports of Düsseldorf, Duisburg, and Ruhrort, on March 8, 1921, see Volume XV, Chap. II, *passim*, and for subsequent discussion concerning the removal of the sanctions see below, Part II, *passim*.

No. 65

Colonel Percival (Oppeln) to Earl Curzon (Received May 15, 11.20 a.m.)

No. 107 Telegraphic [C 9899/92/18]

OPPELN, May 14, 1921, 7 p.m.

Following sent to Paris No. 87.

(? Your telegram of) 13th.¹

My telegram No. 97² evidently has been misinterpreted. Facts are that General Brandt [de Brantes] demanded that insurgents would:

¹ The reference is to No. 58.

² No. 52.

- (a) Immediately cease any further attempt at conquest or advance.
- (b) Make no further attacks on persons and make no further attacks on property.
- (c) . . .³ work.
- (d) Would surrender to allied authorities those (? German officials they had arrested.)

General Brandt would facilitate immediate resumption of railway service and work and would forward to Commission for favourable consideration complaints regarding the insufficient controlling powers of Polish officials appointed last year by the Commission and against certain magistrates obnoxious to the Poles. He would also request Commission to ask the Supreme Council to hasten solution of the Upper Silesian question and publish proclamation calling upon the inhabitants to put an end to the insurrection.

It was made quite clear to Brandt that Commission would bind itself to no conditions.

Brandt later on informed Commission that Korfanty would submit. Repeated to Warsaw, Berlin, and London.

³ The text is here uncertain, cf. No. 43.

No. 66

*M. Briand to Mr. Lloyd George*¹

[C 10444/92/18]

PARIS, le 14 mai 1921

Le Président du Conseil a reçu des mains de l'Ambassadeur d'Angleterre et a pris connaissance, avec autant de surprise que de regret, d'un aide-mémoire² qui, faisant état d'informations de presse tant anglaises que françaises, représente inexactement le rôle des troupes et la politique du Gouvernement français en Haute Silésie.³ Le Gouvernement français réalise parfaitement la gravité des événements de Silésie et n'a jamais cessé d'estimer, comme le Gouvernement britannique, que la seule solution possible est d'appliquer le Traité de Versailles, dans sa lettre et son esprit.

Sans excuser en rien l'insurrection polonaise, on ne peut nier que les troubles actuels ont eu pour origine la précipitation avec laquelle il a été demandé aux Hauts Commissaires alliés de rédiger en quelques jours et d'envoyer au Conseil Suprême à Londres leur avis sur le partage de la Haute Silésie, imposé par le plébiscite,⁴ en ne leur laissant pas le temps de se mettre d'accord sur une solution unanime, tandis que les ouvriers polonais du Bassin minier étaient surrexcités [*sic*] par des confidences germaniques sur l'attribution de toute la région industrielle à l'Allemagne. A la première nouvelle

¹ This communication was handed to Lord Curzon by the French Ambassador on May 14.

² See No. 60, n. 2.

³ See *The Times*, May 11, p. 9, and May 12, p. 9.

⁴ See Nos. 23 and 26.

des troubles de Silésie, de Londres même et chaque jour depuis, le Gouvernement français a agi avec la plus grande décision à la fois à Varsovie,⁵ pour inviter le Gouvernement polonais à se désolidariser publiquement de l'insurrection en prenant les mesures les plus énergiques contre toute participation de la Pologne, et à Oppeln, pour appuyer les mesures prises contre les insurgés par la Commission alliée, sous les ordres du Général de Marinis. Il n'est que juste de reconnaître que le Gouvernement polonais a répondu aux intimations des Alliés⁶ par des déclarations très nettes et la stricte fermeture de sa frontière.

A la Conférence des Ambassadeurs, les représentants français se sont associés d'eux-mêmes aux observations faites à Varsovie.⁷ En Silésie, les troupes françaises ont, aussi bien que les troupes italiennes, contrairement à ce qui est allégué, fait tout leur devoir, subi des pertes en morts et en blessés, et usé de leur influence propre sur les Polonais pour limiter dans toute la mesure possible le désordre et la violence.

La Commission alliée, en l'absence du Général Lerond, comme depuis son retour, a agi unanimement, sans abdiquer en rien son autorité ni pactiser en quoi que ce soit avec les insurgés. Elle a agi de la manière la plus sage et la seule possible. En pesant sur Korfanty, pour arrêter le pillage et le développement de l'insurrection, ainsi que pour empêcher une lutte directe entre les bandes allemandes et polonaises aux points de contact, le Général français, pas plus que ses collègues, n'a jamais préconisé l'acceptation du fait accompli ni conclu d'armistice avec les insurgés.⁸ Ces mesures préliminaires obligatoires, par suite de la faiblesse des effectifs, dix fois moins nombreux que les insurgés, ont rendu possible l'oeuvre ultérieure de la Commission, qui, après avoir limité le mal, ramené le calme et facilité la reprise du travail, s'est donnée pour tâche de libérer le territoire occupé par les insurgés, pour rétablir la solution normale fixée par le Traité. Les derniers renseignements indiquent que la situation s'améliore progressivement, sous l'effort des Commissaires alliés. Mais cela n'est possible que si, d'autre part, des encouragements ne sont pas donnés par les Alliés eux-mêmes aux Allemands, qui inondent le monde de nouvelles mensongères ou tendancieuses, préparent des troupes prises jusqu'en Bavière et envoyées chaque jour plus nombreuses à la frontière de Silésie qui reste ouverte, et se préparent à passer des menaces aux actes au moindre signe de désaccord public entre les Alliés.

Le Gouvernement français a fait preuve de la plus grande patience en tolérant les insultes adressées à ses troupes par les bandes allemandes et l'arrestation d'officiers et généraux, comme le Capitaine Deblois et le Général Gratier. Il s'est contenté d'appeler la plus sérieuse attention du Gouvernement de Berlin sur ses responsabilités. C'est du côté allemand que réside aujourd'hui le principal danger et il serait d'une haute imprudence de la part des alliés de ne pas agir en commun à Berlin, comme ils l'ont fait à Varsovie. La Conférence des Ambassadeurs l'a compris et décidé; mais jusqu'ici l'Ambassadeur d'Angleterre n'a pas reçu les instructions nécessaires. Une

⁵ Cf. No. 60.

⁶ See No. 45 and No. 53, n. 5.

⁷ See No. 60.

⁸ See n. 3 above and Nos. 52 and 58.

politique qui consisterait, conformément à l'éventualité envisagée à la fin de l'aide-mémoire anglais, à laisser le Gouvernement allemand répondre par la force à l'insurrection locale en Silésie, aurait les conséquences les plus redoutables et dépasserait de beaucoup les dangers présents qui peuvent encore être réduits par l'effort commun des Alliés. Si blâmable que soit l'action polonaise, elle est limitée, car elle s'exerce de l'intérieur de la Silésie et représente un soulèvement de la population du bassin minier, polonaise en grande majorité, comme l'a montré le plébiscite, sans que le Gouvernement de Varsovie, qui tient la frontière fermée, y participe jusqu'ici, ni par des envois de troupes ni en laissant passer les volontaires.

Nous pouvons encore espérer en venir à bout par l'action renforcée de la Commission et une pression continue sur Varsovie. Tolérer une action directe du Gouvernement allemand, organisée de l'extérieur, pour trancher par la force le problème silésien, serait une violation des principes du plébiscite et des décisions du Traité de Versailles, d'une portée incalculable. Elle provoquerait immédiatement une entrée en scène directe et justifiée de la Pologne et remettrait en cause tous les résultats de la guerre et la résurrection même de l'état polonais, qui a été l'un des buts de guerre et de justice essentiels des Alliés. La France, pas plus qu'aucune des Puissances, ne pourrait y assister passivement.

Il était fatal que la Commission de Haute Silésie se trouvât dans une situation précaire, hors d'état de réprimer par la force une insurrection aussi étendue, du fait que les effectifs reconnus nécessaires par les Alliés qui devaient être fournis également par les quatre Puissances, ont été réduits aux seules troupes de la France et de l'Italie, par l'abstention des Etats-Unis et de l'Angleterr[e] même. Il n'est pas équitable de laisser à une ou deux puissances des responsabilités et des charges qui auraient dû être partagées entre tous les Alliés, et de leur reprocher ensuite leur impuissance et même leur impartialité.

La solution suggérée par le Gouvernement anglais⁹ d'anticiper la décision de la Commission et des Gouvernements alliés, quant à la frontière définitive, en laissant les Allemands occuper dès maintenant la plus grande partie de la Silésie, et confinant les Polonais dans un petit coin du bassin industriel, n'avait nullement un caractère pratique. Elle ne pouvait s'appuyer sur le Traité et était irréalisable militairement, car elle aurait dû être imposée par la force et aurait placé les Allemands et les Polonais en conflit direct. Loin d'arrêter l'insurrection, elle l'aurait généralisée en enfermant les troupes alliées dans une souricière. Aussi, le Comité militaire interallié l'a-t-il unanimement rejetée, pour des raisons avant tout militaires.¹⁰

Le Président du Conseil a le droit de s'étonner que le Gouvernement anglais lui prête, d'après des articles de journaux, une politique consistant à attribuer, fut-ce par la violence, tout le bassin industriel à la Pologne. Jamais le Gouvernement français n'a autorisé aucun journal à parler ainsi en son nom. Le reproche qui lui est fait est exactement aussi juste que s'il accusait le Gouvernement britannique, d'après les articles de la presse anglaise, d'être décidé à attribuer à l'Allemagne toute la Haute Silésie avec ses

⁹ See No. 36.

¹⁰ See No. 45.

centaines de milliers de Polonais, passionnément attachés à leur indépendance et à leur nationalité, sans tenir compte des stipulations du Traité et des résultats du plébiscite.

En réalité, comme le Gouvernement anglais, le Gouvernement français estime que la seule base juste et défendable est de s'attacher aux termes mêmes du Traité de Versailles, dont l'Article 88 (Paragraphes 4, 5 et 6) a clairement tracé le rôle respectif de la Commission et des Gouvernements (Résultat du vote déterminé par communes, frontière proposée par la Commission, en tenant compte du vœu exprimé par les habitants, ainsi que de la situation géographique et économique des localités, reprise de l'administration des territoires respectivement reconnus comme devant être allemands ou polonais.)

Les preuves que le Président du Conseil français a données de son esprit de conciliation et les sacrifices qu'il a consentis, pour tenir compte des difficultés et des vues du Gouvernement anglais et maintenir l'accord étroit entre les Alliés en faisant accepter par l'opinion française des concessions importantes sur ce qu'elle considérerait légitimement comme les droits, les intérêts de la France, l'autorisent à dire en toute franchise au Premier Ministre anglais qu'une attitude de nature à encourager l'Allemagne dans sa revendication totale de la Haute Silésie, en dehors du Traité, serait aussi dangereuse pour la paix qu'un encouragement à cet égard donné à la Pologne. Ce serait non pas résoudre mais augmenter les difficultés de la question de Haute Silésie, pour laquelle la doctrine des Alliés a déjà varié, puisqu'ils s'étaient déjà mis unanimement d'accord pour attribuer le territoire entier à la Pologne dans le traité qui a été présenté aux Allemands.

M. Briand sera heureux de concerter, comme il l'a fait en toute occasion, ses vues avec celles du Gouvernement anglais, pour éviter tout désaccord qui ne pourrait profiter qu'à l'Allemagne. Mais il lui serait impossible de le faire à l'heure actuelle, pour des raisons que M. Lloyd George comprendra aisément, avant d'avoir repris contact avec le Parlement français et obtenu son assentiment à la politique arrêtée avec les Alliés à la dernière Conférence de Londres.¹¹

Il est d'ailleurs essentiel pour les Alliés de ne pas confondre le problème silésien avec celui des réparations, ne fut-ce que pour montrer la fausseté des allégations allemandes touchant des promesses secrètes de contrepartie qui leur auraient été faites à cet égard. Le Traité de Versailles a, dans son article 90, bien précisé la situation des territoires de Silésie transférés éventuellement à la Pologne et prévu la fourniture à l'Allemagne du produit des mines pendant quinze ans, sans droits, charges ou restrictions à l'exportation du charbon. Le Gouvernement polonais a récemment complété cette garantie en consentant non seulement à la répartition proportionnelle aux réparations des territoires silésiens devenus polonais, mais à l'établissement d'un contrôle économique et industriel des Alliés sur les régions minières attribuées à la Pologne. Ces garanties, venant compléter celles du Traité, ôtent toute justification à la constante prétention du Gouvernement allemand de lier

¹¹ The debate in the French Chamber of Deputies, on the London Conference (cf. No. 64, n. 2), was due to begin when both houses reassembled on May 19.

la question des réparations à celle de la Haute Silésie et d'obtenir sur ce point, une révision du Traité de Versailles.¹²

La Commission alliée de Haute Silésie paraît, d'après les derniers renseignements, capable, si les Alliés agissent énergiquement et en étroit accord à la fois à Varsovie et à Berlin, d'arrêter la lutte armée entre Polonais et Allemands, de reprendre l'administration du territoire par la dissolution des bandes polonaises insurgées et de présenter unanimement aux Gouvernements alliés, auxquels sont venus se joindre les Etats-Unis, un tracé de frontière répondant au plébiscite.

¹² See No. 1, n. 3.

No. 67

Mr. Max Muller (Warsaw) to Earl Curzon (Received May 15, 10.20 p.m.)

No. 253 Telegraphic [C 9901/92/18]

Very urgent

WARSAW, May 15, 1921, 3.2 p.m.

I have received a note from Polish Government regarding speech pronounced by Prime Minister on May 13th in House of Commons.¹

After saying that they reserve the right to revert later to other questions and notably that of attitude of Polish Government raised by speech, they called my attention to passage in which Mr. Lloyd George is reported to have said that he saw no objection to Germany herself restoring order in one of her provinces.² Note points out that according to Article 88 of Treaty of Versailles (a treaty which Poles are determined to respect) and its annexe, Upper Silesia, the fate of which is to be decided by the 'result of vote determined by communes according to majority of votes in each commune', cannot be regarded as a German province seeing that plebiscite area is under control of Inter-Allied Commission. As Mr. Lloyd George's utterance cannot fail to rouse great excitement in Poland it is of utmost importance that Polish Government should be in a position to obviate dangers which might arise from an incorrect interpretation of his words and they therefore request British legation in Poland to furnish them with the necessary explanations with as little delay as possible. Such explanations appear to Polish Government all the more called for as, if Mr. Lloyd George's words have the meaning which at first sight they appear to bear, they have not only emphasized but also gravely aggravated the menace to peace of Europe to which legation note of May 10th (see my despatch No. 288)³ called attention, and existence of which has been confirmed by reliable information of German military preparations on Upper Silesian frontier.

Please instruct me what reply I should return.

Copy of note follows by next bag.⁴

Repeated to Paris, Berlin and Oppeln.

¹ See No. 64, n. 1.

² Cf. No. 83, below.

³ Not printed. This enclosed a copy of Mr. Max Muller's note of May 10 to M. Dąbski.

⁴ Under cover of Warsaw despatch No. 308 of May 18, not printed.

No. 68

Earl Curzon to Colonel Percival (Oppeln)

No. 45 Telegraphic [C 9938/92/18]

Most urgent

FOREIGN OFFICE, May 16, 1921, 4.45 p.m.

General tenour [*sic*] of your recent reports seems to indicate attitude of passive acquiescence, if not actual complicity, of French troops.

Please telegraph with least possible delay further and more precise information on this subject, citing any facts of which you are quite certain, and giving us particulars of which we can, if necessary, make use.

No. 69

Earl Curzon to Colonel Percival (Oppeln)

No. 46 Telegraphic [C 9882/92/18]

Urgent

FOREIGN OFFICE, May 16, 1921, 5.10 p.m.

Your telegram No. 103 (of May 13th. Proposed resignation of British mission in Silesia).¹

I fully appreciate and sympathise with painful position in which you and your staff are placed. Your actions meet with entire approval of His Majesty's Government, and I am unable to accept your resignation. To do so would be contrary to the interests of this country and of the European settlement. I therefore expect you and the British officers and officials under you to continue to perform, until further orders, a task which I know is thankless, but of which I trust that the conditions will be presently ameliorated.

¹ No. 56.

No. 70

Earl Curzon to Sir M. Cheetham¹ (Paris)

No. 250 Telegraphic [C 9874/92/18]

Urgent. Most confidential

FOREIGN OFFICE, May 16, 1921, 5.15 p.m.

Lord Hardinge's telegram No. 273 (of May 13th; Silesia).²

If you receive any serious confirmation of rumour in question, you should at once remind French Government of definite understanding agreed upon at San Remo that none of allied governments would take coercive action against enemy separately from other allies³ and you should state clearly that, if French Government were, without previous consultation with us, to take

¹ H.M. Minister at Paris, Chargé d'Affaires, May 16-23, in the absence of Lord Hardinge.

² No. 63.

³ For discussion of this subject at the Conference of San Remo, see Vol. VIII, No. 2, minute 4; No. 14, minute 8; No. 17, minute 5, and No. 18, minute 4 and Appendix 4.

individual steps of the nature indicated (i.e. invasion of Germany territory) in the present case we should regard it as inconsistent with the spirit of the *entente* and as endangering the alliance.⁴

⁴ In a minute dated May 15 embodying directions for the foregoing and other telegrams to be despatched, Lord Curzon wrote that he had written 'after consultation with Lord Hardinge'.

No. 71

Earl Curzon to Sir G. Buchanan (Rome)

No. 197 Telegraphic [C 9873/92/18]

Most urgent

FOREIGN OFFICE, May 16, 1921, 5.25 p.m.

Paris telegram No. 270 (Silesia).¹

According to our latest information position is as follows.

Insurgent forces, which were partly mobilised on the spot and partly came from Poland, crossing frontier at many points along eastern border, and supplied with arms and ammunition drawn partly from local stores and partly from Poland, have now occupied whole area up to 'Korfanty line',² and, at one point (Rosenberg), beyond it. Movement began on night of May 2nd to 3rd. Signal for it was given by publication of a report that commission had allotted whole industrial area to Germany. French Government allege that this report was put out by Germans, but in fact it appeared on May 1st in special editions of Korfanty's newspaper 'Oberschlesische Grenz-Zeitung', which is openly and officially owned by Polish plebiscite commission.³

Insurgents, who were evidently working on carefully pre-arranged plan, proceeded systematically to occupy rural areas and invest towns in which allied troops were stationed. Only places where resistance appears to have been made by allied troops were as follows:—

At Tarnowitz insurgents were surrounded by French troops and compelled to lay down arms. At Kattowitz French opened fire from a tank and killed several insurgents, while a second body was persuaded to withdraw without being fired on. Italian troops were engaged at Rybnik, Czerwionka and Gross Strehlitz and have sustained serious casualties (20 killed and 34 wounded).⁴

In the industrial area the towns (i.e. principal German centres) are now occupied by French troops under martial law, allied district controllers having practically no functions to carry out. The police forces of the commission are entirely out of action, since the Polish sections have joined

¹ No. 60.

² See No. 31.

³ The German and Polish plebiscite commissariats had been recognized by the Inter-Allied Commission for the purposes of the preparation and execution of the plebiscite. M. Korfanty had been appointed by the Polish Government as its Plebiscite Commissioner. His headquarters were at Beuthen.

⁴ See Nos. 27 and 35.

the insurgents, in most cases taking their arms and equipment with them, after disarming German sections, of which some members have been carried off into Poland while others have been interned. Except in towns of Kattowitz, Beuthen, Gleiwitz and Königshütte, insurgents have organized their own administration, have appointed police and other officials, and have declared martial law, in accordance with which they are carrying out domiciliary searches, requisitions and arrests.

Communications with Poland are constant and apparently extensive. Insurgent posts are established at frequent intervals on all roads. British officers are held up at these posts and subjected to formalities, from which it appears French officers are largely exempt. British and Italian officers have been frequently shot at and are constantly threatened, and in general are only allowed to move about freely if they procure insurgent passes. French officers are said to have complete freedom of movement.

Work in factories and mines is at almost complete standstill.

Please inform Italian Government that the above outline depicts the present position so far as we can piece it together from the reports of the British mission at Oppeln. You should point out that this state of things constitutes a complete abdication of the authority of the commission over the greater and more important part of the plebiscite area, involving not only serious economic consequences but a deliberate attempt by the Polish partisans to frustrate by violence the operation of the Treaty of Versailles in defiance of the allied Governments. His Majesty's Government presume that the Italian Government will be prepared to support them in resisting this attempt, and they would be glad to learn as soon as possible whether the Italian Government have any suggestions to make for attaining the desired end.

In making this enquiry you should indicate clearly that we are most anxious to act in close consultation and agreement with the Italian Government, and to learn at the earliest possible moment whether their information and their view of the general situation are in harmony with ours. According to our information, the present difficult, and even humiliating, position in which they are placed has united the British and Italian officials in Upper Silesia in bonds of closest sympathy. We share moreover the indignation with which we are sure that the Italian Government must have received the news of the losses inflicted on Italian troops, in regard to which you should express the sincere sympathy and condolence of His Majesty's Government.

Addressed to Rome No. 197. Repeated to Paris No. 247, Berlin No. 108, and Oppeln No. 44.

No. 72

Earl Curzon to Mr. Max Muller (Warsaw)

No. 125 Telegraphic [C 9888/92/18]

FOREIGN OFFICE, May 16, 1921, 5.50 p.m.

Silesia.

Our attention has been drawn¹ to a wireless message from Warsaw 'to all' published on evening of May 11th to effect that detachments of Reichswehr and two German armoured trains took part in fight at Kandrzejn [Kandrzin].

Please address strong protest to Polish Government against dissemination of false news. It is important that they should exercise strict control over news services which, by spreading entirely unfounded reports, greatly increase dangers of situation.

¹ By the German Ambassador in a note dated May 13, not printed.

No. 73

Record by Sir E. Crowe of a conversation with the Italian Ambassador

[C 10152/92/18]

FOREIGN OFFICE, May 16, 1921

The Italian ambassador called to-day in order to draw attention to the accounts which appear in today's papers of our exchange of communications with Monsieur Briand.¹ He said his government would be sure to fasten on the reported suggestion of a meeting between Mr. Lloyd George and Monsieur Briand to discuss the situation in Upper Silesia.² When, on a previous occasion, a similar meeting had been arranged at Lympe³ Count Sforza had felt, and expressed, dissatisfaction at Italy's being left out of the discussion and M. de Martino earnestly hoped there would not now be another occasion for an Italian disappointment.

I said I was in the best position to reassure him on this point. For I had only this morning received express instructions from Lord Curzon to telegraph to Rome fully explaining the situation, and directing Sir G. Buchanan to ascertain whether, in case an early meeting of the Supreme Council were to be found desirable, the Italian government would be willing to take part in it.⁴

M. de Martino expressed himself as entirely satisfied with this explanation.

I then spoke to him at length on the situation in Upper Silesia, laying stress on the fact that according to our reports from Oppeln, the Italian Commissioner and his officers felt themselves, equally with their British colleagues, placed in a most invidious position owing to the apparent want of

¹ See *The Times*, May 16, p. 8.

³ See No. 60.

² See Nos. 55 and 60.

⁴ See Nos. 57 and 71.

support given by the French officers and troops in dealing with the insurrection. I said that it was of course most unpleasant to entertain towards our French allies any suspicion that they had not acted with sufficient energy or impartiality, and we should be only too pleased and relieved if it could be shown that our apprehensions and uneasiness on this point were groundless. All the same, the reports reaching us from all sides made it impossible to rest assured that this was the case. One thing seemed quite clear, and that was that the Italian officers were exposed to the same difficulties as ours, and indeed had actually suffered and witnessed serious losses.⁵ We should be glad to be authoritatively informed whether this was in fact borne out by the Italian official reports and what views the Italian government took of the situation in which their officers and troops found themselves placed.

M. de Martino thought there was no doubt that the same painful impression created here had equally made itself felt at Rome. He promised to obtain if possible an authoritative Italian version of all the incidents which had resulted in losses and difficulties for the Italians in Silesia.

I then asked to be allowed to refer confidentially to another important aspect of the situation: It seemed more and more probable that the Germans in Upper Silesia would, in face of the powerlessness of the allies to protect them, organize bands and take the field themselves against the Polish insurgents. There was clearly some danger, in the present excitable state of feeling in France, that the French government might, in such an eventuality, consider themselves justified in taking violent measures against the German government, without previously concerting such coercive action with their allies. The French press foreshadowed an immediate French invasion of the Ruhr.

Since the German government had accepted our recent ultimatum, there was no present justification for the automatic application of further sanctions, and if, owing to the action or the connivance of the German government, a situation were to arise in Upper Silesia which called for some special measures of severity against Germany, this was a matter which should be discussed and settled by the allies together, and not prejudiced by the isolated intervention of one of them alone. I said it would be desirable for us to know whether the Italian govt. shared this view and would be prepared, if necessary, to urge it upon the French government.

M. de Martino expressed himself with confidence to the effect that on this point we should find his government in entire accord with us, and he undertook to consult them immediately upon it.⁶

⁵ See Nos. 27 and 71.

⁶ Lord Curzon commented: 'A very useful interview.'

No. 74

Mr. Max Muller (Warsaw) to Earl Curzon (Received May 17, 3.10 p.m.)
No. 256 Telegraphic [C 10112/92/18]

Sub-Committee. Most urgent

WARSAW, May 17, 1921, 12.49 a.m.

I have received from what I believe to be a reliable source, a message that Prime Minister will make statement in Diet to-morrow on Upper Silesia¹ and would welcome any hint from me as to line that would be acceptable to His Majesty's Government. Message added that Council of Ministers had approved a declaration reprobating insurrection couched in far more vigorous terms than has yet been the case, when news of Mr. Lloyd George's speech² was received: in face of which Government had no longer felt it possible to issue proposed declaration as it would have raised a storm of indignation at what would have appeared to be acceptance of foreign dictation and perhaps have done more harm than good.

If Your Lordship could give Polish Minister to-day a message which would make it clear that, once His Majesty's Government are convinced that Polish Government is making serious effort to bring insurgents to reason and is prepared to accept whatever may be final decision of Supreme Council, His Majesty's Government will gladly consider any practical proposals that Polish Government may make for restoration of tranquillity, it would, I think, strengthen hands of latter in dealing with a situation, gravity of which they now appear to realise.

Since drafting the above, I have received Paris telegram No. 282³ and I propose to use such influence as I possess to prevent Polish Minister for Foreign Affairs from carrying out intention attributed to him by 'Matin'.

¹ The text of M. Witos's speech is given in *The Contemporary Review*, vol. 120 (London, 1921), pp. 112-17.

² See No. 64, n. 1.

³ Of May 16, not printed. According to this the Polish Minister for Foreign Affairs had, in the course of a long interview with M. Briand, given reason 'to believe that his reply in the Polish Diet on May 19 to Mr. Lloyd George's speech would be "most energetic" and would "constitute first full exposure of anti-Polish policy of British Government" '.

No. 75

Colonel Percival (Oppeln) to Earl Curzon (Received May 17, 8.50 a.m.)
No. 112 Telegraphic [C 9956/92/18]

Urgent

OPPELN, May 17, 1921, 6.30 a.m.

Mr. Lloyd George's speech¹ has had an extraordinary calming effect on German population.

Repeated to Berlin, Paris and Warsaw.

¹ See No. 64, n. 1.

No. 76

Colonel Percival (Oppeln) to Earl Curzon (Received May 18, 9.50 a.m.)
No. 113 Telegraphic [C 10143/92/18]

Urgent

OPPELN, May 17, 1921, 2.30 p.m.

In continuation of my telegram No. 111.¹

Note addressed by Polish Committee to Commission is being treated as not having been received. There has been little or no fighting to-day. There is so far no sign of any retreat on the part of insurgents. German bands in Kreuzburg, Oberglogau and Oppeln are slowly augmenting. Some of them are well in hand under their commanders, but others are not and are likely to be a source of danger to German cause rather than the reverse.

German leaders have pressed me to allow British officers to control these bands so as to keep them in order and also to organise them into a security Police force under commission for service against Polish insurgents. In this way they argue commission could prevent much unnecessary terrorism and bandit warfare. British officers have, in fact, in the past restrained some of these bands from committing stupid acts of terrorism and aggression of no military value and I am arranging with consent of commission for similar action in future. Transformation of these bands into a security force under British officers however is a different matter. French would never countenance such a proposal and even if they did there is a certainty that sooner or later incidents would occur between this force and French troops as feeling against latter is very bitter. As it is French Commander-in-Chief complains frequently to me that police force which is being raised by British officers are deliberately firing on him and on one occasion held him prisoner for a short time. There is lastly fact that as many of these bands come from unoccupied Germany serious difficulties would no doubt arise with Poland.

Apart from these considerations if at any time allied Powers decide to allow German troops to operate in Upper Silesia I can find British officers to control their movements.

I well appreciate your telegram No. 46.²

Repeated to Paris, Berlin and Warsaw.

¹ Of May 16, not printed. This had reported that General de Brantes had been requested to transmit a message from the executive committee of the Polish insurgents stating their desire to stop bloodshed and to 'retire sufficient extent to ensure that hostilities with Germans will immediately cease', but asking that 'zone evacuated by us may at once be occupied by allies . . .'

² No. 69.

No. 77

Colonel Percival (Oppeln) to Earl Curzon (Received May 18, 10.15 a.m.)
No. 114 Telegraphic [C 10150/92/18]

OPPELN, May 17, 1921, 6 p.m.

In my opinion most convincing proof of passive attitude of French and their Government is point blank refusal by Lerond to agree to de Marinis'

proposal to sweep the country clear of the rebels by the use of mobile columns consisting of French and Italian troops having orders to (? fire) on insurgents, *vide* my telegram No. 1(03?).¹

General Lerond tried to justify his refusal by stating that he was not . . .² by his Government to employ his troops in such warlike operations. To my mind this amounts to a declaration that French troops here are not authorized to undertake aggressive action against insurgents beyond peaceful picketing.

Innumerable complaints have reached me regarding passive and partial conduct of the French.

On May 4th. Captains Whiting and . . . ton² were proceeding through Gross Strehlitz escorted by a French machine gun, when Colonel Bond, British District Controller, requested that this gun might be placed at his disposal to support troops defending Gross Strehlitz in a fight which had just commenced. This was done and Captain Whiting returned to Oppeln to obtain two more guns.

These guns were available at Oppeln and French promised that they would reach Gross Strehlitz that night. They were not sent.

. . .² gun which Whiting had handed over to Colonel Bond left Gross Strehlitz without the knowledge of Colonel Bond and in spite of his orders to the French non-commissioned officer in charge that it was to remain until Oppeln guns arrived. As a result of this, Italian infantry were at a considerable disadvantage in the fight which took place next day.

On May 3rd. Italian Commandant at Strehlitz ordered French battery commander to supply two guns for a mobile column moving out to engage insurgents. French battery commander stated that he could not fire his guns as he had received orders not to fire from his brigade commander.

End of part one, part two follows immediately.³

Repeated to Paris, Berlin and Warsaw.

¹ No. 56.

² The text is here uncertain.

³ i.e. No. 86, below, which was not in fact despatched until May 18.

No. 78

Earl Curzon to Mr. Max Muller (Warsaw)

No. 126 Telegraphic [C 10112/92/18]

Sub-Committee. Urgent

FOREIGN OFFICE, May 17, 1921, 6.25 p.m.

Your tel. No. 256 (of May 17).¹

I quite agree that first measure for Polish Government to take is serious effort to bring insurgents to reason, and that assurance of their firm intention to accept whatever may be final decision of Supreme Council will place them in better position both with His Majesty's Government and with Allied Governments and will predispose latter to favourable consideration of proposals submitted by them. But I do not quite understand what are the practical proposals to which you refer.

¹ No. 74.

No. 79

Earl Curzon to Sir M. Cheetham (Paris)

No. 252 Telegraphic [C 9873/92/18]

Urgent

FOREIGN OFFICE, May 17, 1921, 6.30 p.m.

Your telegram No. 270 (of May 13th. Silesia).¹

His Majesty's Government think it necessary that the Silesian question should be discussed by full meeting of the Supreme Council. Please therefore propose to M. Briand that suggested meeting at Boulogne should be attended also by Italian and Japanese representatives and thus converted into meeting of Supreme Council and that United States Government should be invited also to be represented.

¹ No. 60.

No. 80

Earl Curzon to Sir A. Geddes¹ (Washington)

Unnumbered Telegraphic [C 10336/92/18]

Private

FOREIGN OFFICE, May 17, 1921, 9 p.m.

It is very important to us to know attitude of American public opinion on Silesian question as well as to acquaint them with ours, and you should keep us fully informed as to views of American press for use in press here. This is a case in which we look forward confidently to receiving American support at Supreme Council, and no effort should be spared therefore to acquaint them with our position. In this sense I have just made a detailed exposition of the entire question to the American Ambassador.²

¹ H.M. Ambassador at Washington.

² No record of this conversation has been traced in Foreign Office archives, but in a note of May 19 to the American Ambassador, Lord Curzon, 'in pursuance of his promise given to Mr. Harvey on the 17th instant', enclosed 'a memorandum [not printed] setting out the views of His Majesty's Government on the Question of Upper Silesia'. A note of May 17 in Sir E. Crowe's hand on the file containing the draft of the memorandum recorded that Lord Curzon wished 'a summary of information received by us in regard to Upper Silesia to be made daily and sent to the American ambassador'; but on May 19 it was agreed that Mr. Butler Wright, Counsellor of the U.S. Embassy in London, should come and talk to Mr. Waterlow three or four times a week and be given 'such documents and summaries as may be available'.

No. 81

Earl Curzon to Sir G. Buchanan (Rome)

Unnumbered Telegraphic [C 10336/92/18]

Private

FOREIGN OFFICE, May 17, 1921, 9 p.m.

We are a good deal surprised at not having received fuller information from you about state of Italian opinion concerning events in Upper Silesia

by which Italy is so closely affected. On occasions like this we ought to receive general summary of press views as well as reports on attitude of Government and yet since commencement of this crisis a fortnight ago we have only received one telegram¹ from you with reference to either aspect of the case. You should also take steps where possible to make British position and point of view known in Italy. This is a case in which the two countries should find themselves closely co-operating.²

¹ i.e. Rome telegram No. 165 (No. 57).

² In his telegram No. 177 of May 19, not printed, Sir G. Buchanan replied that the Italian press was 'practically unanimous in approving the attitude of His Majesty's Government and terms of Prime Minister's declarations'. He added: 'Having informed Your Lordship of Count Sforza's views in my telegram No. 165 [No. 57] and my telegram No. 172 [No. 82, below] I did not consider it necessary to telegraph summary of press articles.'

No. 82

Sir G. Buchanan (Rome) to Earl Curzon (Received May 18, 9.50 a.m.)

No. 172 Telegraphic [C 10148/92/18]

Urgent

ROME, May 17, 1921, 9.10 p.m.

I spoke to Minister for Foreign Affairs this afternoon in the sense of your telegram No. 197¹ and at his request gave him *aide-mémoire* embodying its contents.

I also communicated to him substance of Oppeln telegram No. 110,² your telegram No. (? 249) to Lord Hardinge³ and of Lord Hardinge's telegram No. 195.⁴ His Excellency expressed his thanks for your message of sympathy with regard to Italian losses and said that his information tallied more or less with ours though it did not represent situation in quite such dark colours.

He was most anxious to act in close consultation and agreement with His Majesty's Government and his personal opinion was that, in view of growing gravity of situation, Supreme Council should meet at once and take decision—any decision, however unsatisfactory it might prove to one of the parties would be probably accepted by both; while if we allowed things to drift danger of war would be very great. He was much relieved to hear that Monsieur Briand was no longer insisting on cession of whole industrial area to Poland as this would increase chances of compromise. His Excellency repeated what he had said to me in conversation reported in my telegram No. 165⁵ that it would be more in accordance with Italian sentiment were settlement of Upper Silesia question to be based rather on principle of nationality than on extent of coal basin to be assigned to each of parties in dispute.

¹ No. 71.

² Of May 15, not printed. This gave an appreciation of the situation in Upper Silesia at that date.

³ In the Foreign Office it was suggested that this number should be '244', i.e. No. 55.

⁴ This telegram refers to the proceedings in the French Chamber on April 11.

⁵ No. 57.

He said that Italian Ambassador had telegraphed that discussion in French Chamber would last two days and would probably end in fall of Monsieur Briand.

Repeated to Paris.

No. 83

Letter from Mr. Max Muller (Warsaw) to Sir E. Crowe (Received May 21)
[C 10754/92/18]

WARSAW, May 17, 1921

My dear Crowe,

...¹

I have now had an opportunity of reading the whole of the Prime Minister's speech in the 'Times'² and I am much relieved to find that my own views coincide with the conclusions at which he arrives though perhaps some of his facts are open to doubt. The speech, explaining as it does the line of Mr. Lloyd George's argument, conveys a much milder impression than did the summary given in the news telegram which reached us on Saturday.³ The American Minister who has just been here told me that he and many others shared this view when once they had been able to compare the speech *in extenso* with the telegraphic summary, and even the Editor of one of the local papers volunteered a similar statement in conversation with a member of my staff.

As these news telegrams are meant for the information of the public abroad, often on questions of vital importance, as in the present case, surely the greatest pains should be taken to secure that they convey the exact meaning of any speech which they are intended to summarise.

My telegrams will have shown that I fully share the indignation felt by His Majesty's Government at the feeble manner in which the Polish Government had dealt with the Korfanty insurrection,⁴ though being on the spot I am perhaps better able to appreciate the difficulties of their position and to make due allowance for the same. Those difficulties are, I admit, in great part of their own creation and result from their failure to take action at the proper moment, and to control and give a timely lead to public opinion directly after the plebiscite. As I reported at the time, Sapieha recognised that the plebiscite gave no very definite indication and left the burden of the ultimate decision on the shoulders of the Plebiscite Commission and the Supreme Council.⁵ A strong Government would have placed this clearly before the people and prepared them for a certain measure of disappointment; it would not have assisted at Thanksgiving Te Deums, nor allowed the press to scream paeans of victory. As it was, in spite of all one could say,

¹ The paragraph here omitted referred to other matters.

² The reference is to Mr. Lloyd George's speech of May 13 (see No. 64 above) reported in *The Times* of May 14, p. 14.

³ i.e. May 14.

⁴ See, e.g., Nos. 29, 35, 44 and 47.

⁵ See No. 2.

they all harped on the old interpretation of clause 4 of the annex to article 88, that the number of cantons voting one way or the other was to prove the decisive factor in marking the frontier.⁶ It must however be remembered, in mitigation of the failure of the Polish Government to prepare the people for inevitable disappointment, that the French have all along insisted on this interpretation of clause 4 of the annex in its most literal form. For this wilful refusal to look facts in the face, inspired though that refusal undoubtedly was by the French, and for their weakness in dealing with the situation at the outbreak, the Polish Government must bear the blame and it is hopeless to try to help people who invariably put themselves in the wrong by such blind folly. But even more than the Polish Government I am inclined to blame the French Government, or at all events the French military authorities both on the spot and in France. Personally I feel no doubt that they were privy to the approaching outbreak even if they did not openly encourage it, and in any case they did nothing to put some common sense into the minds of the Poles or to make them realize the terrible possibilities involved in the Korfanty 'putsch'. The French Minister I believe to be a sensible and honest man but his advice is, I feel convinced, often overridden by that of the French Military Mission.

Officers and correspondents who have been in Upper Silesia agree in declaring that if the French had really acted with energy on the first day of the outbreak the movement could never have developed into an insurrection which has overrun the greater portion of the plebiscite area. I cannot state exactly what representations the French Minister made to the Polish Government during the first days of the outbreak, and I was unfortunately prevented by illness from taking part in the presentation of the joint note,⁷ but I have every reason to believe that he regarded the terms of that note as being singularly inconsistent with the attitude hitherto adopted by his Government. The tacit approval, if nothing more, of the French may to some extent account for the otherwise inexplicable blindness of the Polish Government in the early days of the movement, but now I am glad to say that, thanks partly I hope to my warnings, but still more to the unequivocal utterances of the Prime Minister, they are aroused to the extent of the danger threatening them.

The question is now how far the Polish Government is in a position to put back the clock or to control the forces which it has let loose. The ideal to be aimed at is the reestablishment of the *status quo ante* in Upper Silesia and the restoration of the control of the Interallied Commission throughout the entire plebiscite area, but in order to secure this one of the three following measures must be adopted:

- (1) The despatch of a sufficient number of Allied reinforcements to overawe or coerce the insurgents;
- (2) The employment of German forces to achieve the same object;
- (3) The effective intervention of the Polish Government, moral or otherwise.

⁶ Cf. No. 67.

⁷ See No. 54.

No. 1 I understand has been ruled out; while 2, even if it can be justified in argument, is fraught with such terrible dangers to the peace of Europe as to make its acceptance unthinkable; 3 is therefore the solution on which we should concentrate, though personally I feel doubtful whether the Polish Government has the power and influence even if it has the will to achieve it. Still we should give them every chance and encouragement to do so.

Until the *status quo ante* in the plebiscite area is restored I do not see how it will be possible to determine the frontier between Germany and Poland or, even if determined, to secure its observance by both Germans and Poles without running the risk of kindling the flames of war. I purposely refrain from giving my opinion as to what that frontier should be, as I have on previous occasions stated my reasons for favouring the assignment of the industrial area to Poland, quite apart from the indecisive results given by the plebiscite.

I quite realize—and it is obviously right—that His Majesty's Government are resolved that Poland shall not gain by the 'Putsch' an extra square yard of territory. But the insurrection is a concrete fact which must be taken into account if the eventual settlement is to be either permanent or in any way peaceable, and His Majesty's Government should, I think, try and evolve some plan which will prevent a large exodus of masterless Poles from the districts assigned to Germany into Poland where they will prove an element of unrest and disorder. Such an exodus is probably inevitable if the Poles (who have, there is little doubt, been pretty rough with the Germans in the course of the insurrection) feel that they are being handed over without any safeguards to German repression. I have in mind a general amnesty and the disarmament of the population under international auspices—the international Commission to exercise a general supervision over the administration (especially the police administration) for say six months or a year, in order to give the passions aroused by the plebiscite and the insurrection time to simmer down.

There is of course another solution which is favoured by persons who have visited Upper Silesia during the past ten days, and that is a continuation for a number of years in some form or other of international control. I only throw this out as a suggestion which at first sight commends itself to me as I have not had time thoroughly to consider the possible advantages and disadvantages. This control might be made to extend either to the whole of Upper Silesia or only to that portion of it, the ownership of which is still open to doubt, on the basis of the proposal of His Majesty's Government to the Council of Ambassadors.⁸ No doubt this scheme would meet with opposition from the Polish Government but in spite of the definite statement to the contrary of Monsieur Witos I am not at all sure that this opposition could not be overcome, especially if it is true, as I am told by an informant who has lately been studying the question on the spot, that it would be regarded favourably by many of the inhabitants of Upper Silesia, both Germans and Poles.

Yours ever,

W. G. MAX MULLER

⁸ See No. 36.

No. 84

Earl Curzon to Sir M. Cheetham (Paris)

No. 255 Telegraphic [C 9953/92/18]¹

Urgent

FOREIGN OFFICE, *May 18, 1921, 7 p.m.*

I have just informed French Ambassador, and you sh[oul]d inform French Govt without delay, that if, in view of Allied Govts, situation in Silesia calls urgently for return of British forces, we shall be prepared to send back our four battalions.² This will be in accordance with assurance which we gave when recalling these troops because of strike situation in England, that if latter improved we sh[oul]d be willing to send them back.³

¹ The approved draft only of this telegram has been preserved in Foreign Office archives.

² See No. 88, below.

³ See No. 11.

No. 85

Sir M. Cheetham (Paris) to Earl Curzon (Received May 19, 8.30 a.m.)

No. 285 Telegraphic [C 9910/92/18]

Confidential

PARIS, *May 18, 1921, 8.10 p.m.*

Your telegram No. 250 of May 16th.¹

When I saw Monsieur Berthelot this morning in regard to proposed meeting of Supreme Council I had received indications from various quarters that the danger of isolated French action against Germany without previous consultation was sufficiently real to justify me in mentioning subject. I therefore asked if he was in a position to enlighten me on the value of press utterances in this connection in the last few days, and particularly as regards reported assent of Monsieur Briand when the question of France going into Ruhr at once, in the event of Germany sending Reichswehr into Upper Silesia, was directly put to him by journalists (see my telegram No. 278).²

Berthelot shows distinct disinclination to give any definite answer. He disclaims responsibility for Press and said that we were discussing eventualities unlikely to be realised. He insisted that French Government desired to act in a spirit of entire loyalty and would hold to views contained in aide m moire communicated to Your Lordship by French Ambassador in London on May 14th.³ but abstained carefully from explaining exactly what was meant by phrase in that document regarding impossibility of France maintaining a passive attitude in certain eventualities. When I referred to San Remo understanding,⁴ he said that situation had been altered by subsequent agreements and that France could not now consider herself bound by it.

¹ No. 70.

² Of May 15, not printed. The reference is to a statement to journalists made by M. Briand on May 14. M. Briand was reported when 'asked whether in the event of Germany acting alone without awaiting the decision of the Supreme Council he would be compelled to order French troops to occupy Ruhr' to have 'signified assent saying Germany is exposing herself to retort which she would do well to avoid'.

³ No. 66.

⁴ See No. 70.

In view of this statement I felt obliged to convey to Monsieur Berthelot the warning contained in last portion of your above mentioned telegram. He repeated his assertion that circumstances in which French Government might be forced to resort to coercion against Germany without consulting her Allies were so unlikely to arise that they did not deserve consideration, but he failed to make any statement enabling me to report that His Majesty's Government would necessarily be consulted in (? every) case that might arise.

Monsieur Berthelot's manner was not at all unfriendly but I got the impression that President of the Council is waiting to see what manner of reception he gets in Chamber before tying his hands in any way.

No. 86

Colonel Percival (Oppeln) to Earl Curzon (Received May 18, 11 p.m.)

No. 114 Telegraphic [C 10199/92/18]

Urgent

OPPELN, May 18, 1921, 4.10 p.m.

Part 2 of my immediately preceding telegram.¹

3. Colonel Pepys Cockerell district controller at Beuthen reported on several instances existence of an armed post of insurgents within 150 yards of headquarters of 91st infantry brigade. No steps were taken to disarm this post.

4. At 10 a.m. on May 11th same officer telephoned to French brigade headquarters that Polish flag had been hoisted within 60 yards of these headquarters. It was still flying at 3 p.m. that day.

5. Colonel Cockerell reports that a French company posted at a frontier village in his district was removed from his district three days before outbreak without his knowledge.

6. Colonel Crichton, Assistant District Controller at Kattowitz, reports that about 20 insurgents armed with rifles and one machine gun came into action about 200 yards from a French post which took no notice.

Armed sentries of insurgents were seen standing side by side with sentries of French troops in Kattowitz at dividing line between zone occupied by troops and insurgents. Similar reports are to hand from other British officers.

7. Two British officers and one Italian official were held up near Tost by French and insurgent examining posts at same point on road.

8. A small party of armed insurgents took post close to office of District Controller of Tost Glehomwitz [Gleiwitz], within some 200 yards of barracks in which French troops were quartered. Although the District Controller Colonel Pesenti, reported this to local French Commander, insurgents were allowed to remain for some 24 hours unmolested by French troops close by and holding up civilians and even officials of Commission.

9. British officers controlling police have experienced every sort of obstruction on the part of French to keep their men supplied with arms and ammunition. Arms and ammunition for police were in charge of French troops at

¹ No. 77.

Oppeln, who refused to issue same until too late even on urgent demands by British officers, resulting in ammunition running short in fights at Gross Strehlitz and Kandrzin. Even after this, hours had to be wasted in commission bringing pressure to bear on military department to (? respond) as hardly a day passes but I have to draw attention of General Lerond to . . .² created for British police officer by military department and French military officers.

A number of similar cases are reported by Italian officers to General Mar³ and statement in this telegram has his agreement.

It is now recognized at length that French officers have special facilities granted them by insurgents in passing through their lines and it may be stated generally that after first few days when isolated cases of energetic action on part of French troops occurred aggressive [*sic*] action by French against insurgents ceased nearly entirely.

The Italian troops who from the start energetically opposed movement as is proved by their heavy casualties eventually found themselves operating nearly alone and supported only by police under British and Italian officers. They were thus unable to effectually suppress rising. Whereas Italian troops who number about 2,000 suffered casualties in each of eight places in districts were [*sic*] stationed, amounting altogether to twenty killed and thirty four wounded, the French troops, who garrisoned industrial area, suffered practically no casualties in that area, their total casualties to date out of a strength of some 8,000 are given as 3 killed and 6 wounded of which at least one was killed by accident. It is clear that very little firing occurred, on the part of French, in industrial area where most of their troops were concentrated.

It is a remarkable fact that no intimation of proposed rising was given to commission by highly efficient and well organized French secret service. As far as I know the first intimation that commission had of a possible rising was made (? by) a British officer at Rybnik.

Your Lordship will desire to know the line of defence which it may be considered probable now the French will adopt. The following are amongst arguments which they may be expected to put forward.

(a) Besides 60,000 well armed insurgents there is a German population of about 1,000,000 who are hostile to French troops. This weakens strength of French troops available for action against insurgents. The French have always maintained that 60,000 troops were required for maintenance of order.

(b) It will be urged that at present insurgents will refrain from attacking Allied troops if themselves not attacked and that they would agree under these conditions to allow normal life to be resumed in country and town.

Korfanty has also, it will be said, declared his readiness to recall insurgent forces and disarm provided they are allowed to do so unmolested.

(c) That if active operations were taken against insurgents latter would turn and unending bloodshed would occur.

(d) Although it is well established that rising was premeditated and every

² The text is here uncertain.

³ The reference is presumably to General de Marinis.

detail worked out beforehand it is probable that the French will still try to make out it is result of a spontaneous outburst of feeling provoked by fear that Polish rights were not being respected.

Repeated to Paris, Berlin and Warsaw.

No. 87

Sir A. Geddes (Washington) to Earl Curzon (Received May 19, 11 a.m.)
No. 329 Telegraphic [C 10240/92/18]

WASHINGTON, May 18, 1921

Your telegram No. 295.¹

Counsellor saw Secretary of State to-day and explained situation in Silesia as outlined in your telegram No. 197 to Rome,² adding that His Majesty's Government hoped that United States Government would authorise their Ambassador in London to take part in proposed early meeting of Supreme Council and that support of United States Government might be counted upon in endeavour to bring about satisfactory solution of this serious question.

Secretary of State was obviously sympathetic but said that position of United States Government in the matter was somewhat difficult in view of attitude they had taken up with regard to non-intervention in European matters.³ His idea was that United States Ambassador in London should attend forthcoming meeting of Supreme Council merely as an observer. My colleague Mr. Chilton⁴ said that His Majesty's Government looked forward confidently to receiving United States *support* at Supreme Council.

Secretary of State said he was already in communication with United States Ambassador in London on the subject, that whole question would have to be discussed with President and that he hoped to send early instructions to Ambassador in London as to attitude to be adopted by United States Government.

¹ Of May 17, not printed. This expressed Lord Curzon's hope that the U.S. Government would authorize their Ambassador in London to take part in the proposed meeting of the Supreme Council in London 'which will be of first importance'.

² No. 71.

³ In his telegram No. 336 of May 18, Part 1, Sir A. Geddes transmitted the text of the U.S. Secretary of State's reply to a note addressed to him by the Polish Minister. The reply stated that in the Secretary of State's opinion 'settlement of such boundary disputes as arise in matter under consideration is a matter of European concern in which in accordance with traditional policy of United States this Government should not become involved. Attitude of the Government in this matter is clearly understood by its representatives in Europe who will therefore so far as at present may be seen take no part in the discussion concerning Upper Silesia and will express no opinion as to settlement.'

⁴ i.e. Counsellor of H.M. Embassy at Washington.

*Earl Curzon to Sir M. Cheetham (Paris)**No. 1388 [C 10322/92/18]**FOREIGN OFFICE, *May 18, 1921*

Sir:—

The French Ambassador, who had asked to see me this afternoon, after dealing with some smaller matters, to which I need not here refer, alluded to the impending debate in the French Chamber on the Silesian question. He expressed the hope that we in England would not be too much disturbed if violent things were said in the French Chamber and if still more violent expressions of opinion appeared in the French press. He could not deny that the latter had been and still were very much agitated, and that it was more than likely that severe attacks upon the British Government and British statesmen would be forthcoming. He hoped, in these circumstances, that I would form my estimate of the proceedings from the temper and tone of the French Prime Minister rather than of the French newspapers. He was certain that Monsieur Briand would continue, as he had already done, to show a spirit of moderation and conciliation, and that while explaining and defending the French point of view there would be nothing in his phraseology at any rate to which we could take serious exception.

I readily acknowledged the greater caution and reserve that had been exhibited by Monsieur Briand in his recent interviews with journalists in Paris; but I could not conceal from the Ambassador that these too-often repeated explosions of the French press against this country and against the Prime Minister in particular, couched as they often were in abusive language, were having an unfortunate effect upon my country, and were leading people here to conclude that, if the French Government did not have their own way in everything, it was to be a normal feature of the Entente that we were to be overwhelmed with abuse.

In this case, the attitude of the French press had had the effect—which the French Government could hardly have desired—of uniting in favour of the policy laid down by Mr. Lloyd George, not only every organ of the British press, including those which habitually attack him, but, as far as I could judge, the entire American and Italian press as well.

It did not seem to me, therefore, that, from the point of view of the French themselves, the campaign of vituperation had either been successful, or would lead to a decision in favour of the French views in the Allied Conference that must shortly take place.

The Comte de Saint Aulaire made the conventional explanation—which I am now convinced that every French Ambassador to London is instructed to bring in his pocket: firstly, that the French Government have no control over the French press—a contention which I did not hesitate to dismiss as ridiculous—and, secondly, that French writers are so habituated to attacks on personalities, including even their own Ministers, that surprise must not

be expressed if they employ the same weapon, with even greater violence, against foreigners.

These explosions, I remarked, were as uniform as the incidents which provoked them, and, while I told the Ambassador that we should endeavour to retain our composure under a renewed tornado of attack, I also intimated to him that the experience did not become more pleasant with frequent repetition.

As regards the position in Silesia, there were three points upon which I desired to say something.

The military position in Silesia appeared to be a little easier, and the Germans did not seem to intend to move. If, however, it was the desire of our Allies that we should replace the British battalions, which had been removed some weeks ago in consequence of the impending strike in this country,¹ and if it was felt that their reappearance would tend to the pacification of the scene, we should, now that the internal situation here was somewhat easier, be willing to carry out the assurance that we had given at the time, and send back the four battalions, which we had withdrawn. This declaration of our willingness to help I begged the Comte de Saint Aulaire to communicate without delay to his Government, to whom, at any rate, it would be evidence of our earnest desire to play our part.

My second point related to the conduct of the French troops.

Monsieur Briand, in the memorandum which he had communicated to the British Prime Minister,² had denied the accuracy of the statements which I had made in the communication handed to him by Lord Hardinge,³ concerning the part played by the French troops in the area of the rebellion. I did not, I said, want to enter into a detailed controversy with the French Ambassador upon the matter, but I assured him that my representations with regard to the position and conduct of the 10,000 French troops when and since the insurgents overran the country, rested upon incontrovertible evidence, which I should be glad to place before the Allied Conference when it met. We had, indeed, received a number of telegrams, containing specific details, from the British Member of the Allied Commission—Colonel Percival—the latest of which, containing very specific charges, I read to the Ambassador.⁴

Further, I said that our official information was corroborated in every respect by the reports which appeared in such newspapers as the 'Times' and 'Morning Post', neither of which was at all well disposed towards the British Government. From all these sources it was quite evident that the French troops had not only not exerted themselves to discourage or to repel the insurgents, but had tacitly acquiesced in the raid, and in some cases openly sympathised and fraternised with the invaders. It was this conduct on their part that had aroused the deepest suspicion as to the attitude which the French Government might be disposed to take.

The Ambassador replied by a threefold explanation, the adequacy of which in none of these cases was I at all ready to accept.

¹ See Nos. 11 and 84.

² No. 66.

³ See No. 60, n. 2.

⁴ The reference is presumably to Oppeln telegram No. 114, Part 1, i.e. No. 77.

His first answer was that General Lerond had received specific orders from Marshal Foch not to authorise any movement of violence which might embroil the French forces with the local population.

His second answer was that the information coming from the Allied officers in Silesia was not to be trusted, because it came almost exclusively from Jewish sources, whose evidence was wholly unreliable because of their inveterate hostility to Poland.

His third answer was that the French troops, only 10,000 in number, & scattered over a wide area, were powerless to resist an invasion carried out by over 100,000 well-armed men. I replied that if the matter came up, as no doubt it would, at the Allied Conference, I should be able to produce an overwhelming mass of testimony in favour of my contention.

There was another point in Monsieur Briand's various statements as to which I was left in doubt as to what he had really said, but which, even in its least invidious form, had filled me with a good deal of alarm. This was the intimation made—or alleged to have been made—by him, that if German forces appeared in Silesia, or if the Germans did what the Poles had already done, the French Government would regard this as a *casus belli*, and would conceive themselves entitled to take hostile action against Germany, even involving the occupation of the Ruhr.⁵ I could not, I said, believe that Monsieur Briand could have uttered any such threat. The occupation of the Ruhr was a sanction that had been confined to the case of the recent ultimatum to Germany,⁶ and with the unconditional acceptance of that ultimatum the case for an immediate occupation at any rate had altogether vanished. It had nothing to do, and could not be allowed to have anything to do, with the situation in Silesia. I was, however, a little disturbed by a telegram which had been received by the War Office from the Rhine only an hour or two earlier, in which it was stated that Marshal Foch had ordered the French to keep the troops, detailed for the occupation of the Ruhr, in readiness to carry out a move at twenty-four hours' notice.⁷ What did this mean, unless the French had in view some possible move on the part of those troops? I felt confident that Monsieur Briand could not contemplate any independent move of this character which, if it were taken without consultation with and without the consent of the Allies, would be contrary to the whole spirit of the Entente, and would produce a situation that must seriously endanger the alliance and could not be regarded but with the gravest alarm.

The Comte de Saint Aulaire felt certain that Marshal Foch's orders were only the natural military dispositions with regard to forces which were still in being; while, as regards Monsieur Briand's declaration, he had not seen anything himself in the various reports more serious than that, in the contingency referred to, France would have to reconsider her position towards Germany, by which he did not imagine that any isolated step, such as the occupation of the Ruhr by French troops, was implied. Indeed, he felt sure

⁵ See No. 64.

⁶ See No. 40, n. 3.

⁷ This telegram of May 17, communicated to the Foreign Office by the War Office, is not printed.

that Monsieur Briand would not think of acting in such a manner without due notice to, and consultation with, the Allies, and notably with Great Britain.

In conclusion, I said that the sooner the Silesian case was brought before the Supreme Council the better, in my judgment, would it be. We were awaiting a reply to the telegram,⁸ which I had sent yesterday to Paris, saying that we were quite willing that the suggested conversation between the French and British Prime Ministers should be expanded into an Allied conference, and we had already expressed the hope that the other great Powers would order their representatives to attend. The Prime Minister and I would be quite willing to go over to France at the beginning of next week, and, although it was not for us to determine the place of meeting on foreign soil, it would, in view of the continuance of the strike in England and of the possible demand for the Prime Minister's presence at a few hours notice, be more convenient to us at any rate that it should be held at Boulogne, rather than elsewhere.

The Ambassador expressed the hope that the debate in the French Chamber, which would certainly last two or three days, would be over by then, and would enable the meeting to take place at the time which I had indicated.

I am, &c.,

CURZON OF KEDLESTON

⁸ No. 79.

No. 89

Colonel Percival (Oppeln) to Earl Curzon (Received May 20, 3.20 p.m.)

No. 119 Telegraphic [C 10375/92/18]

OPPELN, May 19, 1921, 3 p.m.

I think that I should make it clear, when German bands now collected in Kreuzburg, Oppeln, Cosel and Ratibor districts assume offensive that we cannot expect allied troops here to take any useful steps to intervene between the two contending parties. Both General Le Rond and Marinis stated clearly that in this event their troops cannot possibly adopt any other than a neutral attitude, we must therefore be prepared for an outbreak of civil war which as far as Allies are concerned will remain practically unchecked.

Marinis has pointed out to me that in spite of every desire on the part of Italian troops to fight, they are no longer in a position to do so. His Government has, I believe ordered him not to expose his troops to danger of incurring further heavy casualties so that they have to be restricted to purely . . .¹ therefore, remains incapable of taking any vigorous . . .¹ towards the restoration of normal conditions and has to allow the latter to take their course without being able to influence them otherwise than by such moral

¹ The text is here uncertain.

prestige as our respective countries may still possess here. In view of events this prestige is rapidly vanishing. Situation is therefore very grave.

Repeated to Berlin, Paris, Warsaw.

No. 90

Sir M. Cheetham (Paris) to Earl Curzon (Received May 20)

No. 289 Telegraphic: by bag [C 10295/92/18]

Confidential

PARIS, May 19, 1921

Your telegram No. 255 of May 18.¹ British Battalions for Silesia.

I am acting on your instructions. Meanwhile Marshal Foch has informed General Sackville-West² that he has the battalions necessary to replace British forces on the Rhine and would be delighted to do so if the latter were required in Great Britain, but he sees no reason for sending British Battalions to Silesia where their presence is no longer required by the situation. He will however naturally take the orders of the Cabinet on the subject.

The above appears to be an enlightening comment on at any rate the military policy of France in Upper Silesia.

¹ No. 84.

² British Representative on the Inter-Allied Military Committee of Versailles and Military Attaché at H.M. Embassy, Paris.

No. 91

Sir M. Cheetham (Paris) to Earl Curzon (Received May 20)

No. 293 Telegraphic: by bag [C 10298/2740/18]

PARIS, May 19, 1921

My telegram No. 285 of May 18.¹

I found to my astonishment this morning that the newspaper 'Le Journal' had a large headline 'A question from England to France—if Reichswehr enters Silesia, will you occupy the Ruhr?' over an article of which following is substance:—

'We believe British Chargé d'Affaires has asked with some insistence at Quai d'Orsay what French attitude would be in case organised German detachments penetrate into contested region and in particular whether in that event we would occupy the Ruhr. Of course it was impossible to answer such an hypothetical question. Statements made on May 14 by Monsieur Briand (Paris telegrams Nos. 277² and 278³) define exactly how France would regard such an initiative from Germany.'

¹ No. 85.

² Of May 14, not printed. This had summarized the text of a long statement made by M. Briand on the afternoon of May 14 to representatives of the French and foreign press in which he gave his views on Mr. Lloyd George's speech about Upper Silesia. See *The Times*, May 16, p. 8.

³ See No. 85, n. 2.

This is now followed up by an article in this evening's 'Temps' to following effect:—

'Allusion has been made to an enquiry made by British of French Government on point whether France would occupy Ruhr in case German army should enter Upper Silesia. According to information which we have been able to obtain (the phrase generally used for communications from the Ministry of Foreign Affairs) conversations have in fact taken place about this, both at Quai d'Orsay with British Chargé d'Affaires, and between Lord Curzon and French Ambassador in London. British Government wish Supreme Council to meet and discuss Silesian question as soon as possible but French Government cannot take decision on this point until debate in Chamber is over, i.e. can hardly answer British question before Monday.⁴ Meanwhile British Government want to know whether France contemplates spontaneous occupation of Ruhr which would arouse serious objections in London. French Government for their part cannot forthwith state that no events requiring occupation of Ruhr will occur. It is not believed in France that such events will occur in Upper Silesia but it is also impossible to guarantee absolutely that they will not occur; decision does not rest with France.' Article concludes by drawing contrast between Polish Government who have closed their frontier and have no authority over scene of Korfanty insurrection, and German Government on whose territory German bands are organised, armed and transported to invade Upper Silesia. 'Therefore if it is desired to restore peace, action at Berlin is required to make Germany realise risks she will run if she does not stop warlike preparations.'

In a leading article commenting with much bitterness on Prime Minister's statement of yesterday⁵ 'Temps' mentions that British Government in their representations to French Government made point that French occupation of Ruhr would be contrary to San Remo agreement and endanger Entente.

Your Lordship will observe that above announcements embody whole of my conversation of yesterday with Monsieur Berthelot.⁶ Information can only have reached press through him directly or indirectly and it is impossible, so far as I can see, to absolve Ministry from peculiarly gross breach of confidence. I venture however to suggest that in present crisis any official representations to French Government on subject might possibly do more harm than good.

⁴ i.e. May 23.

⁵ For Mr. Lloyd George's statement of May 18 on the Upper Silesian question, see *The Times*, May 19, p. 10.

⁶ See No. 85.

No. 92

Sir M. Cheetham (Paris) to Earl Curzon (Received May 20, 6.15 p.m.)
No. 295 Telegraphic [C 10383/92/18]

PARIS, May 20, 1921, 3.20 p.m.

My telegram No. 290.¹

Point in Prime Minister's statement of May 18th which has aroused special resentment here is suggestion that Upper Silesian question should be decided by a majority vote in Supreme Council. It is strongly insisted that decision must be unanimous and Prime Minister is accused of having used this very argument on many occasions at Peace Conference and later when it suited his book, i.e. when his own proposals were viewed with disfavour by France, Italy and United States.

¹ Of May 19, not printed. This had reported French press reactions to Mr. Lloyd George's statement of May 18; see No. 91, n. 5.

No. 93

Earl Curzon to the French Ambassador
*[C 10371/92/18]**

FOREIGN OFFICE, May 20, 1921

His Majesty's Government have given careful consideration to the statements contained in the memorandum on the Silesian question addressed by M. Briand to the Prime Minister on the 14th May.¹ They regard it as of so much importance that disputes should not arise on questions of fact, and that all possible sources of misunderstanding between the French and British Governments should be removed, that they desire without delay to submit the following reply to the above memorandum:—

2. The memorandum alleges that His Majesty's Government have given an inexact account, based upon newspaper reports, of the part played by the Allied troops during the insurrection in Upper Silesia. This is a misapprehension which it is desirable to remove. His Majesty's Government have formed their views of the situation upon reports, official and unofficial, received from the officials on the spot; and they have no reason to believe that those reports have not correctly represented the facts, which are, in outline, as follows:—

3. The insurrectionary movement appears to have come as a complete surprise upon the members of the Plebiscite Commission, who received no warning, notwithstanding the existence of an efficient and highly organised secret service, supposed to be at their disposal. The insurgent forces, which were partly mobilised on the spot and partly came from Poland, crossing the frontier at many points along the eastern border, and supplied with arms and ammunition, drawn partly from local stores, and partly from Poland, have occupied the whole area up to the 'Korfanty line.'² The movement began on

¹ No. 66.

² See No. 31.

the night of the 2nd and 3rd May. The signal for it was given by the publication of a false report that the Commission had allotted the whole industrial area to Germany. It is suggested in M. Briand's memorandum that this report emanated from German sources; but, in fact, it appeared on the 1st May in special editions of Korfanty's newspaper, the 'Oberschlesische Grenzzeitung,' which is openly and officially owned by the Polish Plebiscite Commission.³ The insurgents, who were evidently working on a carefully pre-arranged plan, proceeded systematically to occupy the rural areas and to invest the towns in which the Allied troops were stationed, at the same time destroying a number of railway and other bridges at the western end of the main line of communications connecting Upper Silesia with the neighbouring Prussian territory. The only places where resistance appears to have been made by the Allied troops were as follows: At Tarnowitz, the insurgents were surrounded by French troops and compelled to lay down their arms. At Kattowitz, French troops opened fire from a tank and killed several insurgents, while a second body were persuaded to withdraw without being fired upon. Italian troops were engaged at Rybnik, Czerwionka and Gross Strehlitz and sustained serious casualties. But, speaking generally, some 12,000 troops, equipped with artillery and reinforced by tanks, entirely failed to cope with a movement which the French Government regard as a spontaneous and unpremeditated popular upheaval.

4. The reports received by His Majesty's Government reveal numerous instances in which the British and Italian sections of the Commission, who have, nevertheless, continued to co-operate with their French colleagues, have been placed in difficult and even humiliating positions by the failure of the French military authorities to deal adequately with the situation. It is not asserted that it would have been possible to prevent the insurgents, in view of their numbers and the fact that many of them were well-trained and equipped, from occupying a large part of Upper Silesia, and particularly the districts of Pless and Rybnik; but it is difficult to believe that they could have obtained possession of the whole country up to the Korfanty line so quickly had the majority of the troops made determined and systematic efforts to prevent this. That no such attempt was made is evident. Fraternisation between French troops and insurgents; refusal of French troops to disarm the insurgents when requested to do so by the British Controller at Beuthen; insurgent armed patrols associating with impunity in the streets of Beuthen in the presence of a French force of two tanks and about fifty infantry; difficulties placed by the French chief of the military department⁴ in the way of arming the special police recruited to fill up the shortage caused by the desertion of the Polish section of the police force; the withholding of machine guns promised for the defence of Gross Strehlitz: such are some of the incidents as to which His Majesty's Government have reliable information.

5. Thus the District Controller at Beuthen reported to the Commission on several occasions the existence of an armed post of insurgents within 150

³ See No. 71, n. 3.

⁴ i.e. Colonel Caput.

yards of the headquarters of the 91st Infantry Brigade. No steps were taken to disarm this post, or to remove a Polish flag flying within 60 yards of the French brigade headquarters. Three days before the outbreak, a French company posted at a frontier village in the Beuthen district was removed without the knowledge of the District Controller. At Kattowitz about twenty insurgents, armed with rifles and one machine gun, came into action about 200 yards from a French post, which took no notice. Armed sentries of insurgents were seen standing side by side with sentries of French troops in Kattowitz at the dividing line between zones occupied by the troops and the insurgents. At Tost Gleiwitz a small party of armed insurgents took up a position close to the office of the District Controller, within some 200 yards of barracks in which French troops were quartered. Although the Italian District Controller reported this to the local French Commander, the insurgents were allowed to remain for some twenty-four hours, unmolested by French troops close by, and holding up civilians and even officials of the commission. Arms and ammunition for the police were in charge of French troops at Oppeln, who refused to issue them until it was too late, even on urgent demands made by British officers, with the result that ammunition ran short in the fights at Gross Strehlitz and Kandrzin.

6. Finally, on the 12th May, the Italian Commissioner proposed, in commission, that a last effort should be made to clear the country by means of mobile columns consisting of both French and Italian troops accompanied by artillery.⁵ General Le Rond refused, on the ground that he could not possibly employ his troops in that way without special authority from Paris. It is not known exactly to His Majesty's Government what orders were received from Paris. But it is believed that any action likely to result in violence or collision was expressly forbidden. In the face of these facts it can hardly be maintained that the Commission have, as they publicly proclaimed that they would do, used every means at their disposal for the suppression of the insurrection.

7. This account is amply corroborated by the messages from the newspaper correspondents serving the 'Times' and the 'Morning Post,' journals which cannot be suspected of any bias against either the insurgents or the French troops, or of any disposition to espouse the interests of Germany as against those of France. Extracts from these papers of the 10th, 11th and 12th May are enclosed.⁶ Moreover, these accounts are in harmony with the facts of the situation as they now stand. In the industrial area the towns are occupied by French troops under martial law, the Allied District Controllers having practically no functions to carry out. The police forces of the Commission are entirely out of action, since the Polish sections have joined the insurgents, in most cases taking their arms and equipment with them after disarming the German sections, of which some members have been carried off into Poland, while others have been interned. Except in the towns of

⁵ See No. 56.

⁶ Not printed. The *Morning Post* article appeared on May 10; for *The Times* articles of May 11 and 12, see No. 66, n. 3.

Kattowitz, Beuthen, Gleiwitz and Königshütte, the insurgents have organised their own Administration, have appointed police and other officials, and have declared martial law, in accordance with which they are carrying out domiciliary searches, requisitions and arrests. Communications with Poland were certainly until quite recently, according to the information in the possession of His Majesty's Government, constant and apparently extensive. Insurgent posts are established at frequent intervals on all the roads. British officers are held up at these posts and subjected to formalities from which it appears that French officers, who receive special facilities from the insurgents, are largely exempt. British and Italian officers have been frequently shot at, and are constantly threatened, and in general are only allowed to move about freely if they procure insurgent passes, while French officers are stated to have complete freedom of movement. Work in the factories and the mines is at an almost complete standstill.

8. His Majesty's Government, while noting with satisfaction that the French Government have never wavered in the conviction that the only possible solution is to apply the Treaty of Versailles in the letter and in the spirit, must observe that no serious attempt is made in M. Briand's memorandum to deny that the situation is, in broad outline, as described above, or that it constitutes a deliberate attempt on the part of the Polish faction to frustrate by violence the operation of the treaty, and to defy the Allied Governments. M. Briand's memorandum, moreover, puts forward a number of suggestions, and contains a number of statements of fact, which His Majesty's Government cannot regard as well founded. These points are briefly dealt with seriatim in the following paragraphs.

9. *Paragraph 2 of the Memorandum.*—According to the French Government 'it cannot be denied that the original cause of the present disturbances was the precipitancy with which the Allied Commissioners were instructed to draw up in a few days and to send to the Supreme Council at London their recommendations as to the partition of Upper Silesia involved by the plebiscite.' This decision was taken on Sunday, the 24th April, at Lympe, during the conference between Mr. Lloyd George and M. Briand. The telegram to the Plebiscite Commission was sent over both their names.⁷

10. In the fourth paragraph of M. Briand's memorandum it is urged that the Commission has not renounced its authority in any respect; and that, if the situation is to improve, it is important that no encouragement should be given by the Allies themselves to the Germans, who are disseminating mendacious and tendencious [*sic*] news, and are organising troops and despatching them to the Silesian frontier. His Majesty's Government find it difficult to understand how the situation can be properly described in these terms, when the Commission have, over the greater part of the area, been obliged to surrender all administrative authority to the insurgents. On the importance of giving no encouragement to the Germans to break the peace themselves, His Majesty's Government are, and always have been, in entire agreement with the French Government. They have, in fact, spared no

⁷ No. 23.

effort, both by representations made at Berlin and by advice given to the German Ambassador in London, to impress upon the German Government the imperative necessity of their doing everything both to restrain their partisans and to refrain from setting troops in motion.⁸ Whether or not as the result of that advice, both the German population and the German military formations have hitherto remained on the whole commendably quiet under great provocation. Nor has any unusual activity on the part of German agents in disseminating false news been observed. On the contrary, such reports as have been received from German sources have on the whole been remarkably accurate. The same cannot be said of the statements appearing in the Polish press and issued by the Government wireless service from Warsaw.

11. *Paragraph 5 of the Memorandum.*—His Majesty's Government observe with pleasure that the French Government have drawn the serious attention of the German Government to their responsibilities; for His Majesty's Government attach the utmost importance, as has been explained above, to the maintenance of a passive attitude by the German Government, in the face of whatever provocations. It would give them the same pleasure to learn that the casualties inflicted by the Polish partisans on French troops had moved the French Government to impress the Polish Government also with their responsibility for a movement which has developed under the leadership of an agitator⁹ whose expulsion the French and Polish Governments have always opposed.

12. *Paragraph 5 of the Memorandum.*—The statement that the population of the mining area has a large Polish majority is an exaggeration. Taking the definition of the mining area laid down in General Le Rond's report, the Polish majority is only 51½ per cent., or some 25,000 in about 800,000. The smallness of this majority would not, of course, in any way justify the German Government in resorting to force to redress the present unlawful acts of violence. But, if regard be had to all the circumstances, it would be difficult, should the German population in Upper Silesia resort to force, to convict the German Government of a deliberate violation of the Treaty of Versailles, so long as the Allied Governments acquiesce, in fact if not in words, in a corresponding violation of the treaty in the supposed interests of Poland.

13. *Paragraph 8 of the Memorandum.*—The proposal¹⁰ put forward by His Majesty's Government to ease the present situation appears to have been misunderstood, to judge from the description of it given by M. Briand. It consisted in allowing the Polish Government and German Government immediately to occupy and administer with full responsibility those parts of the plebiscite area which the recommendations of the Plebiscite Commission, divergent in other respects, agreed in assigning ultimately to Poland and to Germany respectively, in virtue of their overwhelming Polish and German majorities. His Majesty's Government remain convinced that, had this proposal been adopted, the Commission and the forces at their disposal,

⁸ See, e.g., No. 59.

⁹ i.e. M. Korfanty; see No. 50, n. 4.

¹⁰ See Nos. 36 and 38.

concentrated as they would have been in the disputed area, would have had less difficulty in meeting the storm. But it was rejected on the recommendation of the Inter-Allied Military Committee of Versailles, and on grounds not primarily of a military character, which do not appear to His Majesty's Government to be adequate.

14. *Paragraph 9 of the Memorandum.*—The provisional remedy proposed by His Majesty's Government would not have prejudiced in any way the final partition of the area in accordance with the annex to article 88 of the Treaty of Versailles. His Majesty's Government have never doubted that the French Government attach importance to strict adherence to the provisions of that annex; and they fail to understand on what ground M. Briand charges them with attributing to the French Government, on the basis of newspaper articles, a policy that consists in assigning the whole industrial area to Poland, if necessary by violence. No such statement has ever been made by His Majesty's Government either directly or by implication.

15. *Paragraph 13 of the Memorandum.*—It is not clear what is the precise bearing of the argument that it is essential to dissociate the Silesian problem from the problem of reparations. The suggestion that secret promises have been made to the German Government to compensate them in Silesia for their acceptance of the demands recently addressed to them from London is not understood. His Majesty's Government have no knowledge of allegations coming from German sources that such promises were made. In any case, it hardly seems consistent at one and the same time to recommend a proposal, in accordance with which Poland, in connection with the solution of the Silesian problem would assume a share of the German liability for reparations, and to insist upon strenuous resistance to the contention of the German Government that the two problems are in fact connected.

16. The treaty lays down that the fate of Upper Silesia is to be decided in accordance with the wishes of the inhabitants, which are to be ascertained as the result of a vote taken by communes. M. Briand will remember that from the beginning it has been the constant aim of His Majesty's Government to secure the conditions necessary for an equitable decision on that basis. First and foremost among these conditions is impartiality: if either side were led seriously to doubt whether the Allied Commission and the Allied troops can be relied upon to do inflexible justice, no settlement could be imposed which will be accepted by both sides as an unbiassed execution of the treaty. Unfortunately it cannot be denied that the insurrection, both in its origin and in its course, has given ground for the belief that the Allied Commission's reputation for impartiality has not been uniformly sustained. That is why His Majesty's Government have urged that the French Government should take vigorous action to restore the prestige of the Commission, and, by insisting upon the punishment and expulsion of those responsible for the insurrection, to create an atmosphere in which a just settlement, acceptable to both parties, will be possible.

No. 94

Earl Curzon to Sir G. Buchanan (Rome)

No. 214 Telegraphic [C 10375/92/18]

FOREIGN OFFICE, *May 21, 1921, 2.20 p.m.*

Your Excellency reported in your telegram No. 165 (of May 13th)¹ that Count Sforza was opposed to the cession of the whole industrial area of Upper Silesia to Poland, as advocated by the French Government, and that in his opinion we ought in fixing new frontier to be guided by the principle of nationality.

I should much like to know what Count Sforza means by this formula and what line he has in view whether that of General de Marinis² or another. Can you ascertain?

¹ No. 57.

² See Nos. 6 and 25.

No. 95

Sir M. Cheetham (Paris) to Earl Curzon (Received May 23)

No. 305 Telegraphic: by bag [C 10460/92/18]

PARIS, *May 21, 1921*

It is generally felt here in those circles which are most friendly to us, and thoroughly realise (like Monsieur Briand) paramount importance for France of close Anglo-French cooperation, that the alliance is traversing an acute crisis and that utmost caution and skill are required if it is to be saved from complete shipwreck.

This feeling is well illustrated by an article of Millet (whom extreme nationalists are apt to accuse of carrying anglophil propaganda to unreasonable lengths) in 'Paris-Midi' today, sounding a note of gravest warning. Millet says most serious symptom is that calm unimpulsive Frenchmen, in no wise hostile to England, are now wondering whether it would not be better for France to resume liberty of action. 'Is resultant situation fully realised in London? Do people there understand that Prime Minister's recent statements¹ have only added to doubts felt by Frenchmen regarding English friendship? Why for instance has British Ambassador in Berlin not associated himself with any of the representations made by his French colleague regarding Upper Silesia? Mutual recriminations between England and France are lamentable and often unjust, but best friends of Entente here are astonished to find British diplomacy so obstinate in combatting [*sic*] all ideas which are most essential to interests of France. Does London realise consequences of these tactics? France, England's most faithful ally, never failed her nor opposed British interests during war or at Peace Conference.

¹ See No. 64, n. 1, and No. 91, n. 5.

England now risks losing that ally in order to please Keynes² and to conform to a theory of economic revival. Surely neither British people nor Mr. Lloyd George can be led into such an aberration.'

I report this merely as an indication of ideas current among Frenchmen who are best disposed towards us. In other less friendly circles it is urged in much more violent language that there is a limit to sacrifices which France can be asked to make for preservation of Entente.

² J. M. Keynes, author of *The Economic Consequences of the Peace* (London, 1919).

No. 96

The French Ambassador to Earl Curzon (Received May 22)

[C 10834/92/18]

FRENCH EMBASSY, LONDON, May 21, 1921

Le Gouvernement français est avisé que malgré les promesses de M. Wirth, dont la bonne volonté semble d'ailleurs certaine, les volontaires allemands continuent à affluer vers la Haute-Silésie. Il est à redouter qu'une action, méthodiquement préparée de l'extérieur, ne se décl[e]nche et ne vienne poser un problème d'une haute gravité.

Cette crainte de voir les bandes allemandes envahir le territoire minier est invoquée par les insurgés polonais pour justifier le maintien de leur propre occupation.

D'autre part, pendant que le Gouvernement allemand refuse de payer et de ravitailler les ouvriers dans cette région, la Direction allemande des Chemins de fer empêche de rétablir le service des trains et risque de susciter par la famine des troubles plus graves.

Désireux de mettre fin à la situation actuelle, le Gouvernement français n'a pas cessé, au cours de ces dernières semaines, d'agir de toute sa force à Varsovie, comme à Berlin. Il a engagé les Gouvernements allemand et polonais à éviter toute imprudence, à se détourner de toute compromission et à lui prêter un concours loyal. Le Général Le Rond a reçu les instructions les plus fermes pour que l'administration de la Haute-Silésie soit reprise par la Commission alliée, dans les termes du Traité de Versailles.

L'action conciliatrice du Gouvernement français serait toutefois largement facilitée par l'appui à Berlin et à Oppeln des représentants britanniques. Le Gouvernement de Sa Majesté hâterait la solution de la crise en invitant Lord d'Abernon et le Colonel Percival à soutenir les efforts faits par M. Charles Laurent¹ et le Général Le Rond en vue d'obtenir simultanément la dissolution des bandes allemandes qui se massent à la frontière du territoire plébiscitaire et la dispersion des insurgés polonais et le rétablissement d'une situation normale.

Le Comte de Saint Aulaire saisit, &c.,

¹ French Ambassador at Berlin.

No. 97

Colonel Percival (Oppeln) to Earl Curzon (Received May 22, 6.40 p.m.)

No. 130 Telegraphic [C 11180/92/18]

OPPELN, May 22, 1921, 3.45 a.m.

Part II of my telegram No. 1 (? 27) [130].¹

Communications with industrial area are cut and there have been rumours that insurgents intend to seize towns with or without permission of French garrison. I have requested General Le Rond to secure sources of water supply as there is danger that insurgents may cut same off: this is reported to have already been done in the case of Kattowitz.

Yesterday a British officer in uniform was detained 24 hours by insurgents and accused of being a German spy. He states that insurgents are showing signs of bolshevism at Neudeck and do not recognize Korfanty's authority.

On 17th instant a British police officer with other allied officers were taken off a train which was travelling from Rybnik to Ratibor with refugees and disarmed police of German element. (? This) officer's baggage was opened and ransacked by insurgents in spite of fact that safe passage of train had been arranged for by allied officers with leading insurgent chiefs.

A British official who has just come in from Rybnik reports that women are being barbarously flogged, men are being murdered in cold blood by Polish (? insurgents), whilst a large number have been carried off and imprisoned (? on) . . .² (? German) frontier.

Repeated to Warsaw, Paris and Berlin.

¹ The first part of this telegram of May 22, not printed, reported attacks by German bands at Krappitz (Krapkowice) on Polish insurgents.

² The text is here uncertain.

No. 98

Earl Curzon to Lord D'Abernon (Berlin), Sir G. Buchanan (Rome), and Colonel Percival (Oppeln)

No. 122 Telegraphic [C 10568/92/18]

FOREIGN OFFICE, May 22, 1921, 11.5 a.m.

French Government having accepted our offer to send four British battalions to Upper Silesia,¹ orders are being given to despatch them from the Rhine with the least possible delay.

Addressed to Berlin No. 122. Rome No. 216. Oppeln No. 54.

¹ See No. 84.

No. 99

Mr. Max Muller (Warsaw) to Earl Curzon (Received May 23, 11.15 a.m.)
No. 267 Telegraphic [C 10523/92/18]

WARSAW, May 22, 1921, 6.30 p.m.

My immediately preceding telegram.¹

At my interview last evening Minister for Foreign Affairs after telling us that he had been given a free hand to deal with Upper Silesian question and expressing profound regret at his absence from Warsaw during early days of crisis,² declared that he was determined to do all in his power to restore *status quo ante* in Upper Silesia and the full control of inter-allied Commission, as he realised that this was the first step towards securing a solution of present international difficulties. I replied that I fully shared this view and I felt that the safest method of securing this end was through moral influence of Polish Government with insurgents.

Prince Sapieha agreed and begged me to inform Your Lordship that he felt that he still had some influence with Korfanty and was only too anxious to exert it in direction desired by inter-allied Commission. He had already instructed the Polish Consul General at Oppeln to ascertain from Commission exactly what action they would wish him to take. He would also be glad to receive any suggestions from His Majesty's Government.

He was impressed with need for acting before Korfanty lost entire control of movement he had started and consequent urgency of combating possibility of famine as hungry men knew no law. He had already informed inter-allied Commission that Poland was prepared to supply a certain amount of foodstuff through Polish Red Cross provided that . . .³ could control its distribution. He hopes sincerely that necessary arrangements can be made.

Prince Sapieha has made similar communication to French Minister.

Repeated to Paris, Berlin and Oppeln.

¹ No. 266 of May 22, not printed. In it Mr. Max Muller reported that Prince Sapieha, though maintaining his resignation, 'had consented to carry on temporarily at Ministry for Foreign Affairs as a matter of public necessity'.

² Prince Sapieha had been in Bucharest to conduct negotiations with the Roumanian Government.

³ The text is here uncertain.

No. 100

Lord D'Abernon (Berlin) to Earl Curzon (Received May 23, 9.45 a.m.)
No. 242 Telegraphic [C 10466/92/18]

BERLIN, May 22, 1921, 8.40 p.m.

German Government has replied to Commission of Control¹ regarding formation of free bands for Upper Silesia to following effect:

'German Government fully shares view that enlistment of volunteers for

¹ The Inter-Allied Military Commission of Control in Germany.

Silesia and formation of free corps of similar formations is inadmissible. The Government has already opposed such measures in most decided manner on May 19th. Even before this date Minister of War had notified military centres that formation of any volunteer corps was to be prevented by all means, so that danger of any return of trouble from free corps should be stifled at birth.

'German officials have been warned in most stringent manner against participation in any such movement and severe punishments have been enacted against anyone contravening these orders of Government. Furthermore with a view to preventing passage of volunteers to Upper Silesia, measures have been put into force to prevent their crossing border of plebiscite area.'

German Government have further sent Note regarding movement of war material entirely agreeing with instructions of Commission of Control.

To sum up German Notes on disarmament on enlistment of volunteers and on movement of war material appear to give complete satisfaction to demands made.²

² See Nos. 774, 777, 779, and No. 780, below.

No. 101

Lord D'Abernon (Berlin) to Earl Curzon (Received May 23, 9.30 a.m.)

No. 239 Telegraphic [C 10464/92/18]

BERLIN, *May 22, 1921, 8.50 p.m.*

Following sent to Oppeln No. 10 of May 22nd.

Your telegram No. 85.¹

I have strongly urged the German Government to refrain from all measures of boycott and from all steps likely to cause irritation.²

It would seem that practical relief might be afforded if General Le Rond agrees to furnish military protection which presumably means effective protection. I understand from your telegram that he is prepared to do this.

I have told German Government that in my judgment there can be no question of material guarantee by Upper Silesia revenues as though this was a deal between private traders of doubtful moral[s] and credit. Commission guarantees effective protection: that should be enough. One does not ask Rothschild to deposit specie for collateral security—still less an international commission.

Repeated to Foreign Office.

¹ Of May 21, No. 126 to the Foreign Office, not printed.

² Lord Curzon had, in his telegrams Nos. 117 and 118 of May 20, to Berlin, not printed, instructed Lord D'Abernon to dissuade the German authorities from interfering with supplies to the disturbed areas.

No. 102

Lord D'Abernon (Berlin) to Earl Curzon (Received May 23, 9.45 a.m.)

No. 241 Telegraphic [C 10465/92/18]

BERLIN, May 22, 1921, 8.55 p.m.

Your telegram No. 255 to Paris.¹

Universal feeling here is that no improvement will occur in Upper Silesia until British troops are sent. All parties and all classes are unanimous in expressing hope that their despatch will not be long delayed.

Repeated to Paris.

¹ No. 84.

No. 103

Sir G. Buchanan (Rome) to Earl Curzon (Received May 23, 11.40 p.m.)

No. 179 Telegraphic [C 10578/92/18]

Urgent

ROME, May 23, 1921, 3.40 p.m.

Your telegram No. 214.¹

(? Minister for Foreign Affairs) (? when) I discussed question this morning, said that General de Marinis, in drawing up his original line, had not taken principle of nationality sufficiently into account. He had since submitted fresh proposal.² Situation had, moreover, become more complicated owing to excited state of French public opinion and he was anxious to do nothing to add to that excitement. His great wish was to help as far as he could to relax the tension between Paris and London.

I said that I quite appreciated his motive, but that I trusted that he would in this matter give His Majesty's Government his whole-hearted support. Both our Governements [*sic*], so far as I was aware, regarded the question from the same point of view and were agreed as to the necessity of applying Treaty of Versailles in an impartial spirit.

His Excellency replied that this was the case and said that he desired nothing so much as to keep in closest possible contact with His Majesty's Government. He had been thinking out plan which might, perhaps, meet requirements of situation and which would, he hoped, prove satisfactory to Your Lordship. Before communicating it to me, he must, first, consult President of the Council. He would telegraph the latter in the course of the day and he hoped that he would to-morrow be able to give a memorandum embodying its substance.³

¹ No. 94.

² This refers to Count Sforza's alternative proposals. See No. 109, below.

³ See Nos. 108 and 109 below.

No. 104

Earl Curzon to Lord Hardinge (Paris)

No. 272 Telegraphic [C 10460/92/18]

FOREIGN OFFICE, May 23, 1921, 10 p.m.

Sir M. Cheetham's telegram No. 305 (of May 21).¹

Nothing could be more unfounded than the statements and insinuations you quote from Millet's article. Why do not he and other journalists of alleged pro-English leanings verify the facts before rushing into accusations against our Ambassador at Berlin? Had he made proper enquiry he would have learnt that Lord D'Abernon has made repeated and most pressing representations to German Government at the same time that German Ambassador here was similarly addressed.

London press has now been requested to give widest publicity to the successful representations so made by Lord D'Abernon with a view to induce the German Government to release money and food for the Silesian districts under proper guarantees as well as to prevent the formation of German volunteer bands in Upper Silesia. There has therefore been the fullest cooperation with French policy in Berlin.

As soon as the concurrence of the French Government was obtained orders were issued for the despatch of four battalions to the plebiscite area.

You should endeavour to obtain the immediate and widest publicity for these statements in the French press in reply to the false reports published on the subject in Paris.

¹ No. 95.

No. 105

Earl Curzon to Lord D'Abernon (Berlin)

*No. 530 [C 10698/92/18]**

FOREIGN OFFICE, May 23, 1921

My Lord,

The German Ambassador asked to see me this afternoon in order to make certain representations about the situation in Silesia.

He was especially anxious to meet the allegation, which he declared had been designedly falsely circulated by the Polish Government, that the German Reichswehr had crossed the frontier and been in some cases openly engaged in hostilities with the Polish insurgents. Such a charge was, he said, wholly without foundation, nor—although there had admittedly been fighting between German bands and Polish bands did he think that the German Einwohnerwehr, or other irregular formations, had been employed.

I replied that I was quite prepared to believe that none of the regular army had been permitted to cross the frontier, but a good deal of information had

reached me to the effect that the German Orgesch¹ had been or was engaged in fighting, and also that members of the Reichswehr had slipped across the frontier in mufti and taken part in fighting. How far this was or was not true I could not say, but I thought it of the highest importance that the German Government should issue very strict orders on the matter.

Herr Sthamer passed on to deal with the question of the alleged recruiting of German national volunteers, about which also a good deal had appeared in the press. He desired to point out to me that under the German law, re-inforced in legislation concluded as recently as the end of March, recruiting of this nature was a criminal offence, severely punished by the courts of law and rigorously condemned by the German Government. Proclamations had been issued which had left no doubt on this point, and the Ambassador desired to assure me that his Government were acting with absolute *bona fides* in the matter.

After he had spent some time in enlarging to me upon the difficulties of the local situation and the provocation under which the Germans were labouring in the absence of any controlling force on the spot, I was able to give him the comforting information—which he was greatly delighted to receive—that we had ordered the return of the four British battalions to Upper Silesia; they were starting to-day and ought to be there in a very short time.

The Ambassador was confident that, quite apart from their military value, the moral effect of the presence of these forces would be almost immeasurable, and that they would exercise an immediate calming influence.

I further told him that I hoped no long time would elapse before the Supreme Conference, which had been suggested by ourselves, had met at Boulogne. M. Briand's apparent delay had, I believed, been dictated by the very proper desire to let Parisian tempers cool down and the Chamber to escape from the passionate atmosphere of the first two days of the debate. I thought it more than likely that as soon as the debate was over the date of meeting would be fixed, and that it would in all probability be the beginning of next week.

The Ambassador expressed himself as greatly relieved at this intelligence.

The slight delay had, I went on to say, a further significance. It was of supreme importance that in the interval the German Government should do everything in their power, not merely by discountenancing hostilities, but by supplying food, transport and wages to the Silesian population. I read to Herr Sthamer a series of references to German action in those parts, as it had been reported to me both from our officers at Oppeln and from Warsaw. These extracts indicated that the attitude of the Germans, particularly the railwaymen—no doubt under circumstances of extreme provocation—had been obstructive, and that for a time the policy of driving the people into starvation had found favour with German partisans. Such a policy, I pointed out to the Ambassador, was really suicidal, for, if the population were driven to starve, they would be merely thrown into the arms of

¹ The Bavarian Einwohnerwehr (civil guard) named after Dr. Escherich. (See Vol. IX, No. 31, and Vol. X, Nos. 29, 277, and 278.)

the Bolsheviks, and universal disorganisation would ensue.² This would be just as injurious to German as it was to Polish interests. It was true that a certain amount of apprehension was justifiable, as food supplies or money sent into the country might get into wrong hands and be used to support the insurrection, but the danger of this—which the presence of British troops would to a large extent safeguard—was small compared with the danger of allowing the whole country to go to ruin. Trains had, I believed, started from Oppeln carrying food supplies to the people; this was a good beginning, and the best advice the Ambassador could give to his Government would be to continue this good work and to urge the railway workers to play their part and not to make the action of the insurgents an excuse for retaliatory operations.

His Excellency expressed himself as in entire agreement with me, and undertook to communicate my advice to his Government without delay.

I am, &c.,

CURZON OF KEDLESTON

² See No. 101, n. 2.

No. 106

Aide-mémoire communicated by the French Ministry for Foreign Affairs¹
[C 10611/92/18]

PARIS, May 23, 1921

Le Gouvernement français est heureux que le Gouvern[e]ment anglais ait bien voulu prendre la peine de répondre dans le détail à son Mémoire du 14 mai² et s'empresse de fournir à son tour des données et explications précises en suivant les paragraphes de la note anglaise du 20 mai 1921.³ Cet échange préalable d'informations entre les deux Gouvernements dégagera utilement la discussion du Conseil Suprême de ce qu'il peut y avoir de tendancieux et d'inexact dans les exposés faits par la Presse des deux pays.

2. L'opinion que s'est faite le Gouvernement français est basée sur les rapports très nombreux, officiels et officieux, qu'il a reçus des fonctionnaires et des officiers français, dans le témoignage desquels il a une confiance égale à celle que le Gouvernement anglais accorde de son côté à ses fonctionnaires, d'ailleurs moins nombreux et moins bien placés pour apprécier les différents aspects de la situation en Haute-Silésie.

3. La surprise causée par le brusque déchaînement de l'insurrection est indiscutable, bien que le langage de la Presse polonaise du territoire du plébiscite n'eût pas laissé de doute sur les sentiments de la population. Si la police secrète n'a rien découvert, malgré des recherches répétées, il y a lieu de remarquer que, de son côté, la police plébiscitaire, bien que le Commandant fût un major anglais, n'a rien prévu ni découvert non plus. Le Gouvernement

¹ This *aide-mémoire* was transmitted to the Foreign Office under cover of Sir M. Cheetam's despatch No. 1508 of May 23, not printed.

² No. 66.

³ No. 93.

français avait d'ailleurs, au mois d'octobre dernier, donné toute satisfaction au Gouvernement anglais, pour sa représentation égale dans la police.⁴

Des renseignements concordants et certains prouvent que les insurgés n'ont reçu qu'un appui très faible et momentané venant du territoire polonais, ce qui est un point à noter à l'actif du Gouvernement polonais.

L'insurrection a éclaté dans les conditions indiquées par la note anglaise, mais, s'il est vrai que c'est le journal de Korfanty qui a le premier publié la nouvelle, il est incontestable également que les conclusions du rapport anglo-italien étaient connues, dès le 29 avril, des Allemands de Haute-Silésie et que la nouvelle circulait : il suffit de se reporter au journal allemand de Haute-Silésie, la 'Ostdeutsche Morgen-Post', qui le déclare formellement dans son numéro du 2 mai.

Il est difficile de soutenir que les insurgés ont procédé à l'occupation systématique des campagnes, car ce sont les habitants eux-mêmes des campagnes qui se sont soulevés. L'on ne voit pas bien, en outre, comment les troupes alliées stationnées dans les villes auraient pu s'y opposer efficacement, de même qu'aux attentats contre les voies ferrées.

L'aide-mémoire britannique cite un certain nombre d'endroits où des engagements ont eu lieu entre les insurgés et les troupes alliées. Le Gouvernement français peut compléter ses informations à cet égard : les troupes françaises ont eu des engagements à Koenigshütte, Antonienhütte, Siemanovitz, Gross-Strehlitz, Pless, Rybnik. Dans toutes les villes où se trouvaient les troupes françaises, le premier moment de surprise passé, l'ordre a été maintenu et la Commission est restée maîtresse de ces villes.

Le fait que 12,000 hommes de troupes n'aient pu triompher aisément de 60 à 100,000 insurgés n'a vraiment rien que de naturel ; quiconque a l'expérience de la difficulté presque insurmontable de triompher d'une insurrection de la population même le reconnaîtra. Le Gouvernement de Sa Majesté voudra bien se rappeler qu'à tous moments, conformément à l'avis du Maréchal Foch, le Gouvernement français a déclaré qu'en cas d'insurrection il faudrait au moins 60,000 hommes pour imposer l'ordre. Les observations faites à cet égard auraient beaucoup plus d'autorité si les circonstances avaient permis au Gouvernement anglais de prendre, dans ces conditions si délicates, sa part des responsabilités et des charges.

4. La situation d'impuissance 'humiliante', signalée par un certain nombre de fonctionnaires anglais ou italiens, dans les régions occupées par les Polonais, ne leur a pas été exclusivement réservée. Elle s'est reproduite dans des conditions beaucoup plus désagréables encore pour les fonctionnaires, contrôleurs et officiers français dans les cercles où la majorité de la population était allemande ; c'est ainsi que le Contrôleur français du cercle de Kreuzburg est actuellement complètement isolé au milieu des bandes armées allemandes et privé de toute autorité ; de même, dans de nombreux cas, nos officiers ont été bousculés, menacés et même arrêtés.

Le reproche de fraternisation et de partialité que l'on ne craint pas de leur adresser n'est à aucun degré prouvé et le Gouvernement français attribue

⁴ See Vol. XI, Nos. 61 and 62.

uniquement le chiffre peu élevé de leurs pertes à leur sang-froid, à leur armement plus puissant et à l'autorité que leur donnent le prestige et l'estime dont ils jouissent: cela leur a permis de dégager les troupes italiennes sur un certain nombre de points et de libérer complètement les villes. Un certain nombre de faits avancés par la Note anglaise sont manifestement inexacts ou s'expliquent d'eux-mêmes. Des informations précises sont demandées sur tous les autres. On se contentera de citer le refus de désarmer les insurgés dans la région de Beuthen: la garnison de la ville ne pouvait cependant la quitter pour aller désarmer les insurgés dans les campagnes. Si des patrouilles insurgées ont pu se rassembler à Beuthen même, cela a duré très peu de temps et la ville a été rapidement déblayée.

Les difficultés faites par le Chef français du Département militaire de procéder à l'armement des volontaires de police sont exactes et il est regrettable qu'il ait finalement cédé, car cela a abouti à armer nombre de gens sans aveu. Le Maire allemand d'Oppeln est venu lui-même protester auprès de la Commission, en déclarant qu'à sa connaissance on avait enrôlé 60 repris de justice. Ces étranges policiers ont, le 17 mai, violé, à Oppeln, le domicile d'un officier anglais, pour arrêter son domestique polonais. Il paraît surprenant que le Gouvernement britannique ne soit pas renseigné sur de tels faits.

5. Le déplacement d'une Compagnie dans la région de Beuthen n'avait rien d'anormal, des garnisons étant fréquemment déplacées sans que le Contrôleur du cercle en fût averti immédiatement.

D'une manière générale, le faible nombre des effectifs français, par rapport à la population, et la première surprise expliquent que, dans les premiers moments, il ait pu y avoir un peu de flottement sur certains points.

6. Le refus fait par le Général Le Rond de constituer, sans ordre du Gouvernement français, une colonne mobile destinée à tenter de nettoyer le pays par la force est entièrement justifié. Les mesures proposées ne pouvaient qu'être inefficaces, en raison de l'impossibilité d'empêcher les révolutionnaires de faire le vide devant la colonne et de se reformer derrière elle, ou de profiter de leur nombre pour lui infliger un sanglant échec. On risquait d'aboutir à des massacres. La proposition ainsi faite ne supportait pas la discussion et pourrait même être représentée comme ayant un caractère tendancieux. Le Gouvernement britannique en aurait certainement jugé ainsi si ses troupes avaient eu, en Haute-Silésie, la responsabilité principale, car il a un sens trop sûr des réalités pour aventurer ses troupes dans de pareilles conditions.

7. Il ne peut être fait état, d'une manière générale, dans des questions aussi sérieuses, de renseignements de Presse. Dans l'espèce, d'ailleurs, les correspondants des journaux parlent très rarement de faits dont ils auraient été les témoins oculaires: ils citent en général des récits qu'on leur a rapportés, récits émanant la plupart du temps de seconde main, ou de personnes mal placées, soit par leur caractère, soit par leurs sentiments préconçus, pour apprécier impartialement les faits.

Le Gouvernement polonais a certainement fait les plus sérieux efforts pour empêcher le passage de la frontière par des volontaires, des armes ou des munitions, et les renseignements contraires qui seraient parvenus à la

connaissance du Gouvernement anglais se heurtent aux faits que nos agents ont été unanimes à constater : la fermeture de la frontière, le désaveu des insurgés, la révocation de Korfanty, etc., sont des preuves publiques et incontestables. On ne saurait oublier enfin que les Puissances et la Commission étaient intervenues, à plusieurs reprises, auprès des autorités polonaises, pour qu'elles éloignent leurs troupes de la frontière, ce qui n'était pas une condition de nature à faciliter la surveillance de celle-ci. Du côté allemand, la frontière est restée ouverte et sans aucune surveillance, malgré nos observations répétées.

Si des officiers britanniques ont été arrêtés par les insurgés polonais et ont même subi leur feu, la même chose est arrivée à des officiers français de la part des insurgés allemands : il est à peine utile de rappeler l'arrestation du Général Gratier, celle du Capitaine de Blois et les coups de feu tirés sur le Général Commandant les troupes.⁵

Il est inexact que le travail soit presque complètement arrêté dans une partie importante du territoire, car il a été repris dans une proportion variant de 50 à 90%.

8. Le Gouvernement français, tout comme le Gouvernement anglais, n'a jamais cessé de préconiser l'application stricte du traité de Versailles, dans ses stipulations qui sont très précises relativement à la Haute-Silésie et au rôle respectif de la Commission alliée et des Gouvernements.

L'insurrection polonaise a fait également l'objet du désaveu le plus net du Gouvernement français, qui n'a pas cessé de réclamer, avec la plus grande énergie, à Oppeln et à Varsovie, que tout soit fait pour replacer le territoire de la Haute-Silésie, conformément au traité, sous la libre administration de la Commission alliée. La participation active du Commissaire anglais à toutes mesures devant amener ce résultat a constamment été réclamée et pas toujours avec succès. Les derniers renseignements indiquent cependant que la situation, grâce à l'accord des trois Commissaires, s'améliore rapidement du côté polonais. Pas plus que le Gouvernement anglais, le Gouvernement français n'a jamais admis que l'on puisse accepter d'être placé en face du fait accompli.

9. La décision prise à Lympne,⁶ à la dernière minute et sans discussion figurant au procès-verbal, de réclamer d'urgence le rapport des trois Hauts-Commissaires, a été une erreur incontestable, comme les événements se sont chargés de l'établir ; car c'est cela qui a déclenché l'insurrection. Tout ce que l'on peut dire, c'est que ce fut une erreur commune et non unilatérale.

10. Le Gouvernement français est heureux d'apprendre que des représentations ont été faites par l'Ambassadeur d'Angleterre au Gouvernement allemand, bien que cela n'ait pas eu lieu en commun (en raison de manque d'instructions de Lord D'Abernon) avec l'Ambassadeur de France, qui, quotidiennement, a exercé une action inlassable sur le Gouvernement allemand, en lui signalant les graves responsabilités qu'il encourait du fait de l'envoi de volontaires en armes vers la Haute-Silésie de différentes parties de l'Allemagne, du maintien de l'ouverture de la frontière et du pillage des

⁵ See No. 66.

⁶ See No. 23, n. 2.

armes et munitions (rassemblées près de Breslau, sur les ordres de la Commission Nollet,⁷ à fin de destruction). Il se permet de croire que la sagesse relative du Gouvernement allemand jusqu'ici est due essentiellement à l'énergie de l'action qu'il n'a cessé d'exercer sur lui. Il est incontestable, d'autre part, que l'ensemble de l'opinion allemande a interprété les discours officiels anglais, non comme un avertissement, mais comme un encouragement.

Le Gouvernement français ne partage pas l'opinion que les formations allemandes sont restées dans l'ensemble tranquilles; de nombreux actes de pillage, d'incendies, d'extorsions de fonds, etc., ont été constatés. L'afflux des corps francs dans la zone ouest a pris un tel développement que la Commission alliée de Silésie en a signalé officiellement le danger à la Conférence des Ambassadeurs. L'avis du Gouvernement britannique sur l'exactitude des renseignements de source allemande n'est à aucun degré partagé par le Gouvernement français: il suffit de se reporter à l'accusation transmise par la Délégation allemande à la Conférence des Ambassadeurs, sur la soi-disant participation d'un Général français à une cérémonie célébrée par les insurgents. Le fait a été démenti et reconnu faux, et l'on pourrait aisément multiplier les démonstrations de ce genre.

11. De Londres même, à la première nouvelle de l'insurrection, et chaque jour depuis, le Gouvernement français a télégraphié à Oppeln et à Varsovie (en même temps qu'à Berlin), pour inviter le Gouvernement polonais à désavouer les insurgés, à empêcher toute aide ou participation venant de Pologne et à agir de toute son autorité pour obtenir la dispersion des bandes polonaises et le rétablissement de la situation légale en Haute-Silésie. Si le Gouvernement français avait été auparavant peu favorable à l'expulsion de Korfanty,⁸ c'est qu'elle [*sic*] estimait qu'elle serait le signal des troubles les plus graves et se croyait en droit d'espérer que celui-ci continuerait à se conformer à la correction de ses proclamations et à ses déclarations répétées. Les événements mêmes qui viennent de se passer indiquent combien il y avait lieu d'agir avec précaution dans cet ordre d'idées.

12. L'ensemble du bassin minier (qui comprend les cercles de Pless, Rybnik, Kattowitz, ville et campagne, Kœnigshütte, Beuthen ville et campagne, Tarnowitz, Zabrze, Gleiwitz) représente 343,485 voix polonaises et 289,980 voix allemandes, c'est-à-dire une majorité polonaise incontestable.

D'autre part, l'insurrection polonaise, si blâmable qu'elle soit, et si nécessaire qu'il soit d'y mettre fin, a procédé de l'intérieur, le Gouvernement polonais n'étant à aucun degré intervenu de l'extérieur et ayant fait à cet égard tout ce qu'il pouvait faire et ce qui lui était demandé.

Au contraire, le Gouvernement allemand a laissé former, armer et transporter gratuitement des volontaires de différentes parties de l'Allemagne vers la frontière de Haute-Silésie; il a laissé des bandes piller des dépôts d'armes destinées à être détruites conformément au traité; enfin, il a maintenu

⁷ General Nollet was President of the Inter-Allied Military Commission of Control in Germany.

⁸ See No. 50, n. 4.

constamment la frontière ouverte, sans faire aucune opposition au passage des bandes et au groupement de leurs forces sur deux ou trois points d'attaque nettement délimités. Si donc ces bandes avaient engagé définitivement la lutte avec les Polonais sur le territoire du plébiscite, leur action se serait exercée de l'extérieur, sans empêchement et avec la complicité du Gouvernement allemand, qui, par une intervention venant de *l'extérieur*, se serait rendu coupable d'une violation du traité de Versailles, plus grave encore que celle qui s'est produite sur le territoire du plébiscite, sans l'aveu ni l'aide du Gouvernement polonais.

13. La suggestion anglaise de faire occuper immédiatement par les Allemands la rive gauche de l'Oder, c'est-à-dire le territoire agricole où leur majorité n'est pas contestée, et aux Polonais une partie du bassin minier où leur majorité est écrasante, en maintenant la seconde partie du bassin minier, en qualité de région contestée, sous le contrôle des troupes alliées, aurait, sans doute possible, préjugé la solution et non pas mis fin à l'insurrection polonaise, mais, au contraire, augmenté les troubles en risquant d'y entraîner le Gouvernement polonais lui-même.⁹ En effet, couper en deux le bassin minier, en séparant la partie complètement polonaise de la partie où s'équilibrent à peu près les voix polonaises et allemandes aurait orienté le règlement de l'affaire dans le sens allemand.

D'ailleurs, la suggestion britannique posait une question de sécurité pour les troupes, sur laquelle les Conseillers Militaires alliés ont été unanimes, le Représentant britannique au Comité de Versailles s'étant nettement associé à l'avis de ses collègues. Dans ces conditions, la proposition ne pouvait qu'être écartée.

14. Contrairement à ce que paraît le croire la note anglaise, l'Aide-Mémoire remis le 13 mai courant par l'Ambassadeur d'Angleterre au Ministre des Affaires Étrangères français¹⁰ déclare que 'le Gouvernement français est dépeint par la Presse française comme absolument décidé à insister sur la cession de la totalité du bassin industriel à la Pologne, ceci devant être accompli au besoin par connivence dans un acte de violence illégal et de rapine.' Le Mémoire ajoute 'que si ceci est une description exacte de la politique du Gouvernement français, le Gouvernement de Sa Majesté doit l'informer qu'il ne peut acquiescer à aucun degré à un pareil développement des événements et que si l'on persiste dans cette voie il ne pourra continuer à exercer une pression sur le Gouvernement allemand pour l'empêcher de prendre des contre-mesures pour lesquelles il peut déjà trouver une ample excuse.'

Une pareille déclaration justifie l'observation faite par le Président du Conseil français.

15. La Presse allemande et le Chancelier Wirth lui-même ont fait de nombreuses allusions à des encouragements qui leur auraient été donnés sur la possibilité de garder la Haute-Silésie, dans le cas où l'ultimatum serait accepté par l'Allemagne.

Si le Gouvernement français estime que l'attribution du bassin minier de la Haute-Silésie à l'Allemagne ou à la Pologne ne peut modifier en rien les

⁹ See No. 36.

¹⁰ See No. 55.

engagements et les devoirs de l'Allemagne quant au paiement des Réparations, c'est en s'appuyant sur l'article 90 du Traité de Versailles, qui a nettement prévu le cas et réglé les dispositions à prendre pour préserver les intérêts de l'Allemagne, dans l'hypothèse où le bassin industriel reviendrait à la Pologne. C'est dans le même but (de tenir compte, dans toute la mesure possible, de la répercussion d'une telle décision sur les possibilités de l'Allemagne) que le Gouvernement polonais a ajouté à ces premières garanties données par le Traité l'engagement de payer une part contributive des Réparations pour la Haute-Silésie et d'assurer le développement industriel du bassin par le contrôle des Alliés. L'exposé français ne paraît donc pas pouvoir être taxé d'illogisme.

16. Le Gouvernement français est d'accord que la première condition pour régler le sort de la Haute-Silésie est l'impartialité et il ne laissera pas plus que le Gouvernement britannique altérer son sentiment à cet égard par des considérations de sympathie ou d'antipathie; les reproches qui ont pu être faits à cet égard, respectivement à l'un ou l'autre des deux Gouvernements, sont au même titre infondés.¹¹

¹¹ In a minute dated May 25, Lord Curzon commented: 'The Note is really a series of *tu quoques* and does not call for a reply. I think however we should enquire about [para. 8].' See No. 130 below. In his reply to the French Ambassador of May 31, not printed, Lord Curzon stated that the instructions sent to Lord D'Abernon had been in complete harmony with the representations M. Laurent proposed to make to the German Government and that Lord D'Abernon had in fact visited Dr. Rosen, and spoken to him in that sense on May 25. [See No. 119, below.]

No. 107

The French Ambassador to Earl Curzon (Received May 24)

[C 10630/92/18]

Extrême urgence

FRENCH EMBASSY, LONDON, May 23, 1921

Les dernières nouvelles reçues de Silésie annoncent qu'une force allemande de 3,000 hommes environ, composée de Bavares, Wurtembergeois et Bas Silésiens, a prononcé une attaque violente contre les insurgés polonais en direction de Gross Stre[h]litz.

Il est à redouter que, malgré les efforts de la Commission, une lutte sanglante ne se généralise.

Le Gouvernement français n'a pas cessé de prévenir le Gouvernement allemand de l'extrême gravité des responsabilités qu'il encourt en tolérant sur le territoire allemand le recrutement de volontaires pour la Haute Silésie, leur transport gratuit jusqu'aux frontières, leur groupement sur place au chiffre de plus de 30,000 hommes, leur armement facilité par le pillage des armes réunies à Breslau à fin de destruction, enfin le maintien de l'ouverture de la frontière, qui a donné toutes facilités aux bandes allemandes, après achèvement de leurs préparatifs, de choisir leurs points d'attaque.

Dans ces conditions, l'Ambassadeur français à Berlin a reçu pour instructions de faire une nouvelle démarche énergique auprès du Dr. Wirth pour obtenir que le Gouvernement allemand prenne toutes mesures en son pouvoir en vue d'arrêter une lutte qui dégénérerait rapidement en guerre entre l'Allemagne et la Pologne avec les conséquences fatales qui en découleraient.

Cette situation n'est que le développement de celle signalée au Foreign Office par l'Ambassadeur de France dans sa note du 21 de ce mois.¹

Le Gouvernement français apprécierait hautement l'envoi sans délai par le Gouvernement de Sa Majesté d'instructions à son Ambassadeur à Berlin pour l'inviter à se joindre à son collègue français afin d'appuyer ses démarches.

Le Comte de Saint Aulaire saisit, &c.

¹ Not printed.

No. 108

Sir G. Buchanan (Rome) to Earl Curzon (Received May 24, 11 a.m.)

No. 183 Telegraphic [C 10640/92/18]

Urgent

ROME, May 24, 1921, 1.5 a.m.

My telegram No. 179.¹

Minister for Foreign Affairs sent for me this evening and handed me promised memorandum, of which translation is given in my telegram immediately following.²

In reply to several . . .³ of mine His Excellency said that his present proposals took more account of nationality than those of General [de] Marinis. He laid stress on fact that while two principles laid down in second paragraph were intended as definite proposals, two formulas in his fourth paragraph were not so intended but were susceptible of amendment in course of discussion in Ambassadors' Conference where the one selected would be given its final shape.

He was personally in favour of second formula as it would give Germany larger proportions of industrial district; but we must remember there were graver issues at stake than question as to which of the two countries was to have lion's share of that district. Feeling in France was running dangerously high; Anglo-French relations were being put to severe strain and Poles and Germans were fighting one another. He had, therefore, endeavoured to find some compensation that would be acceptable to Poland and that would he hoped prove sop to appease French by extending Polish frontier in districts where there was mixed population so as to give Poland control of most important railway.⁴

In exacting from France engagement not to assist Poles, should they take military action beyond frontier, and in authorising French to extend their temporary occupation on right bank of Rhine, should German regular troops cross the frontier, his idea was to apply impartially to both parties

¹ No. 104.

² No. 109 below.

³ The text is here uncertain.

⁴ i.e. the railway connecting Beuthen with Posen; see No. 109 below.

sanctions, threat of which would, he hoped, have the same satisfactory result as threatened occupation of Ruhr had had in the matter of German reparations.

His Excellency begged me to explain that memorandum was his official reply to enquiries which you had addressed to him through me, but that he was not communicating it officially to French Government. He would, however, telegraph it to Italian Ambassador at Paris for his information and Your Lordship was at liberty to discuss it with French if you desired to do so.

No. 109

Sir G. Buchanan (Rome) to Earl Curzon (Received May 24, 10.40 a.m.)

No. 184 Telegraphic [C 10628/92/18]

Urgent

ROME, May 24, 1921¹

Following is translation of memorandum handed to me to-day by Ministry for Foreign Affairs. (Begins).

The increasing seriousness of situation in Upper Silesia renders it desirable to find a rapid solution of the question on which difference of opinion between France and England is concentrated and exasperated. Given that an immediate meeting of Supreme Council appears not to be easily possible and might moreover accentuate rather than diminish the tension between London and Paris, I would consider it opportune to settle question of Upper Silesia by means of an agreement between the three allied Governments on the following basis which could be defined by conference of Ambassadors. I presume that allied Governments recognise:—

1. That commerce² of Upper Silesia should be regulated in accordance with Treaty of Versailles and results of plebiscite.

2. That neither Poland nor Germany can independently decide on the merits of the case. Generally speaking agreement should be made on principles announced by Mr. Lloyd George³ which even the French Government could not disavow; but their application would have the equitable result of giving satisfaction to the just demands of Poland according to result of plebiscite.

In view of the fact that plebiscite has given to Germany less than 60% of individual votes and less than 55% of communal votes, it must be recognised as just that frontier should be so drawn as to give Germany and Poland respectively (? territories) as far as possible proportionate to percentage yielded by plebiscite whether considered from point of view of their area or population.

I therefore [? submit] . . .⁴ two formulas not as definite proposals but as basis of discussion:

¹ The time of despatch of this telegram is not recorded.

² Amended in the printed version to read 'problem'.

³ See Nos. 64, n. 1, and 91, n. 5.

⁴ The text is here uncertain. The printed version here reads 'submit'.

1. Poland should have southern part of communes Ratibor on right bank of Oder, (? part of) commune Rybnik deducting north west salient traversed by Ratibor-Gleiwitz railway which would remain with Germany; communes Kattowitz, Konig-Shutte [*sic*], Beuthen and Tarnowitz, the extreme fringe south east of commune Rural-Gleiwitz and southern point of district of Zabrze; the eastern part of district of Lublantz [Lublinitz] including Stahlhammer. This solution would divide industrial district leaving Gleiwitz and Zabrze to Germany.

2. Poland would not receive as under above arrangement Konig-Shutter [*sic*] and that portion of communes of Beuthen and Kattowitz situated between Konig-Shutte and Zabrye [*sic*]. She would receive in compensation the eastern part of commune Lubinitz [*sic*] and of Rosenberg with their two principal towns so as to have in her hands the whole railway line connecting Beuthen with Posen. This solution would leave a much greater part of industrial region to Germany and would accord an important railway to Poland.

Both inter-change of views between the three allied Governments and eventual discussions of Ambassadors' Conference should be kept strictly secret in order to prevent the danger of repercussions in Upper Silesia. When and if final decision shall have been reached it should be communicated to Governments of Berlin and Warsaw who should proceed with least possible delay to occupy zone assigned to them with their regular troops. France should guarantee not to support Poland in the event of Polish troops crossing the frontier line agreed on, or supporting Polish insurgents beyond it. On the other hand France would be authorised to extend provisionally the areas which she has temporarily occupied on right bank of Rhine as sanctions, in the event of Germany's regular troops crossing the frontier or supporting German rebels beyond it.⁶

⁵ In the Foreign Office it was pointed out that Count Sforza used the word 'commune' in his two formulas in mistake for 'kreis', but that in the preceding paragraph the phrase 'communal votes' was correct.

⁶ Major Ottley, in a memorandum dated May 25 (C 11217/92/18) (circulated to the Cabinet on May 27 with a copy of the above telegram and a map illustrating Count Sforza's proposals, not printed), commented as follows:

'1. These proposals are based on the assumption that the original report of the Italian Commissioner, in which his British colleague concurred, paid insufficient attention to the question of nationality. It is, however, a fundamental axiom in the problem of Upper Silesia, which is denied by nobody, that the central industrial area is one and indivisible economically. A large proportion of the report, signed conjointly by Colonel Percival and General de Marinis, is devoted to a detailed elaboration of this axiom, which in the present Italian proposals has been utterly ignored.

2. In effect, the new proposal divides the area into two unequal parts, the lesser to be given to Germany and the greater to Poland.

3. Far from giving greater weight to the principle of nationality, the Italian Ministry for Foreign Affairs admits to being swayed by the heat of public feeling in England and France (*vide* Sir George Buchanan's telegram No. 183 of the 24th May, paragraph 3 [No. 108]).

4. The results of the two Italian solutions, which are put forward as alternatives, would be, from a plebiscite point of view, respectively as follows:

Scheme I.

Polish Zone: 304,833 Polish votes and 255,242 German; *i.e.*, in every 100 inhabitants there would be 54·4 Poles and 45·6 Germans.

German Zone: 452,363 German votes and 174,526 Polish votes; *i.e.*, in every 100 inhabitants there would be 72 Germans and 28 Poles.

Scheme II.

Polish Zone: 262,434 Polish votes and 208,326 German; *i.e.*, in every 100 inhabitants there would be 55·7 Poles and 44·3 Germans.

German Zone: 499,279 German votes and 206,925 Poles [*sic*]; *i.e.*, in every 100 inhabitants there would be 70·7 Germans and 29·3 Poles.

In this connection it may be recalled that the Anglo-Italian line gives proportions of 65 and 35 in the German zone and 63 and 37 in the Polish zone respectively.

5. Thus, even ignoring the question of the practical impossibility of drawing a frontier through the industrial area, Count Sforza does not achieve a result so satisfactory as the one he condemns.

6. Economically the position would be that Germany would obtain, under Scheme I, coalmines which produced in 1913 8·76 million tons; and, under Scheme II, mines which produced 18·05 million tons, out of a total product of some 43 million tons. Poland would, however, receive some 90 per cent. of the coal reserves and the whole of the zinc, lead, silver and iron.

7. Thus neither economically nor from the point of view of plebiscite result does Count Sforza's scheme constitute an improvement. It is clearly drawn up in Rome by those who have never visited the country, and who must be little experienced in industrial countries, for Solomon's judgment is applicable here. Only those who have no real interests in the country could seriously consider a division of this nature.'

Mr. Bourdillon (British joint-director of the Plebiscite Department in Upper Silesia), in a Report on the Upper Silesian Plebiscite Commission of May 1923, noted that the alternative Italian proposal was based on two principles which were later accepted by the League of Nations when it dealt with the Upper Silesian question. These principles were (1) that each power should receive an area containing a population equivalent approximately to the number of votes it polled, (2) that the minorities included in each area should be approximately equal.

Count Sforza's own account of his proposals and an English text of them are published in his *Diplomatic Europe since the Treaty of Versailles* (Yale University Press, 1928).

No. 110

Colonel Percival (Oppeln) to Earl Curzon (Received May 24, 3 p.m.)

No. 136 Telegraphic [C 10686/92/18]

Urgent

OPPELN, May 24, 1921, 1.45 p.m. [*sic*]¹

The German advance from Krappitz has been stopped largely through the intervention of British officers. At Oberglogau Major Keatinge² this morning got into touch with General Hoefler³ who has just assumed command of the German fighting organization. Hoefler made the following statement:

¹ The time of despatch of this telegram was queried in the Foreign Office.

² Major O. J. F. Keatinge, British representative on the Police Command under the Inter-Allied Plebiscite Commission.

³ General Hoefler had on May 22 assumed the general command of the German Selbstschutz or self-defence forces in Upper Silesia.

A. German organizations are going to do all they can to bring about the re-establishment of law and order and the authority of commission.

B. He had only just assumed command and he intended to get his men under absolute control. He condemned the action of Krappitz commander who had initiated what he considered a useless attack on Saturday⁴ calculated to be harmful to the cause of Germany and against the wishes of the commission. Lastly he declared emphatically that he would have no Baltikum⁵ here in Upper Silesia. He intended to keep organization firmly in hand.

C. He would guarantee the safety of allied troops, always provided that the latter did not abandon towns to Poles. He had heard that orders had been given for French troops to evacuate Gross-Strehlitz and Rybnik. If this happened he would be forced to advance at all costs if only to take over the protection of these towns himself as it was clear that Poles would otherwise take possession and commit acts of terrorism as has been proved in the case of so many of the smaller townships abandoned to Poles. If allied troops insisted on evacuating the towns then he feared that feeling would run so high that it might be impossible to answer for safety of allied officials.

D. He would immediately issue orders forbidding a general advance but he must make it clear that when insurgents withdrew from villages he must arrange for establishment of local police in these villages to safeguard inhabitants and property.

E. At special request of Major Keetinge [*sic*] Hoeffler promised not to allow Upper Silesian police to join his ranks.

As regards the general situation it is now clear that a large number of insurgents have adopted communistic principles and headquarters of this movement are at Gleowitz [Gleiwitz]. Their leader is Theodor-Kansi. There is also a report that Radeck [*sic*]⁶ is in Upper Silesia.

Repeated to Warsaw, Paris and Berlin.

⁴ i.e. May 21, see No. 97, n. 1.

⁵ This is a reference to the action of irregular German forces in the Baltic Provinces in 1919: see Vol. III, Chap. I.

⁶ Herr Karl Radek was secretary of the executive committee of the Communist International. See Vol. XI, No. 621, and Vol. XV, No. 2.

No. 111

Lord Hardinge (Paris) to Earl Curzon (Received May 24, 6.50 p.m.)

No. 313 Telegraphic [C 10699/92/18]

Urgent

PARIS, May 24, 1921, 3.30 p.m.

Having returned last night to Paris, I thought it very desirable to see Monsieur Briand this morning before he makes his speech in Chamber of Deputies this afternoon.

I found him in a very friendly mood, expressing his regret that there should have been such public controversy over a question in which both Governments were in reality in fundamental agreement. He did not wish

to praise his own military officers nor to attack those of other powers, but he had come to conclusion that task set before these military High Commissioners was in reality beyond their competence, since it required political, juridical and ethnographical knowledge which could hardly be expected to be found among military officers selected in most cases for their military skill. He had been thinking over the matter and he was going to propose that the three countries should each name an engineer to define frontier, a lawyer to interpret the treaty, and a diplomatist to arrive at an agreement so that a definite and concrete proposal should be submitted for approval of the powers, such a proposal would be impossible to obtain from present High Commission in Upper Silesia. He considers that this need take a very short time and would be the most palatable solution.

I asked the President of the Council whether he had received satisfactory information such as Lord d'Abernon had received from German Government in connection with German bands.¹ He told me that he had just seen German Ambassador who had given most satisfactory assurances. From this morning, the German frontier has been absolutely closed and every step will be taken to prevent anybody or military material crossing the frontier and if necessary German Government will be ready to proclaim a state of siege. At the same time they would do their very utmost to recall any German who had already crossed the frontier with object of taking up arms against the Poles. President of the Council said that he intended to send very strong message to Polish Government to adopt similar measures and that he hoped that in this he would receive our support. He expressed confidence in an early restoration of a normal situation in Upper Silesia.

I expressed hope that his speech this afternoon would be conciliatory in tone and substance. I could assure him that in spite of any recrimination in the past, His Majesty's Government were most anxious to maintain alliance in complete solidarity. He assured me that he would be careful not to say a single word more than he was absolutely obliged to say in order to maintain his position and he thought that all would go well today.

He did not show the slightest annoyance at the Prime Minister's speech and abused the press roundly.²

¹ See No. 100.

² In a minute dated May 25 (C 10756/92/18) referring to the foregoing telegram Lord Curzon wrote: 'M. Briand has behaved so well, that we must treat his suggestions when they come with all possible respect.'

No. 112

Earl Curzon to Colonel Percival (Oppeln)

No. 57 Telegraphic [C 10745/92/18]

Urgent and confidential

FOREIGN OFFICE, May 24, 1921, 4 p.m.

German newspapers report that Major Keating[e] is in command of a body forming part of German bands organised under the name of

self-protection plebiscite police corps, and has in that capacity taken part in German comprehensive movement from Krappitz and Kosel resulting in capture of the town of Annaberg by assault.¹

Another report which has reached me confidentially seems to implicate Lieutenant Bennett in similar attitude towards German bands.²

I find it difficult to believe that British officers can be acting in this way, and would fain assume that the reports are due to misapprehension of the arrangement reported in your telegram No. 113 of May 17th under which, with consent of commission, you were allowing British officers to control the German bands so as to keep them in order and prevent terrorism and bandit warfare.³

It is however essential that we be completely assured as to correct behaviour of our officers, and I must ask you to institute at once proper enquiries and report result. No irregularities on the part of British officers or officials can be tolerated.

Repeated to Paris No. 273 and Berlin No. 124.

¹ The file contains a cutting from the *Manchester Guardian* of May 24, in which the paper's Berlin correspondent gave the *Montagspost* as the authority for this report.

² This report emanated from 'Major Powell, an officer on leave from Upper Silesia'.

³ No. 76, see also No. 110.

No. 113

Earl Curzon to Lord Hardinge (Paris)

No. 274 Telegraphic: by bag [C 10375/92/18]¹

Very urgent

FOREIGN OFFICE, *May 24, 1921, 6 p.m.*

Facts as to British representations at Berlin and elsewhere which appear to be unknown to French Government are as follows:

On May 20th I instructed² His Majesty's Ambassador at Berlin to bring pressure on German Government to adopt and enforce a policy as to the supply of food and money to the disturbed areas of Upper Silesia which had already been strongly urged by the British representative on the Plebiscite Commission,³ namely that the German authorities should refrain from any sort of boycott and should do everything in their power to facilitate the flow of supplies and the maintenance of the railway services. On May 22nd Lord d'Abernon made strong representations to the German Government in this sense.⁴ He impressed upon them that it was most important that the Berlin authorities should not interfere with railway traffic and should refrain from all steps likely to cause irritation at the present juncture.

This action supplemented a step which Lord d'Abernon had taken as far back as May 13th, when in course of long discussion on perils of Silesian situation he urged the German Chancellor to exercise his utmost influence

¹ This was a confirmation of a telephone message received at 4.30 p.m.

² See No. 101, n. 2.

³ See No. 105.

⁴ See No. 101.

to keep the German population in hand.⁵ Frequent representations have also been made to German Ambassador here with regard to movements of German bands and have received emphatic disclaimers from him. Simultaneously Colonel Percival at Oppeln has spared no effort so far as his opportunities permitted, to reduce area of conflagration, to prevent incursion of German military bands and to organise German relief for Silesia with result that trains have already started from Oppeln and food is being distributed.

A better guarantee even than fresh instructions to him, which are not needed will be supplied by reappearance on scene of British troops, orders for whose departure from Rhine have already been issued.

Please bring above facts to the immediate attention of M. Briand before he replies in Debate, and point out that they entirely refute the contention that the British representatives at Berlin and Oppeln have not adequately supported their French colleagues. You should also arrange for widest publicity.

Repeated to Berlin No. 125 and Oppeln No. 58.

⁵ See No. 59.

No. 114

Earl Curzon to Lord D'Abernon (Berlin)

No. 126 Telegraphic [C 10782/92/18]

Very urgent

FOREIGN OFFICE, *May 24, 1921, 6 p.m.*

German counter activities in Upper Silesia.

French Government point out that there is this distinction between action of insurgents and that of German military bands that, whereas former are locally organised, latter are organisations deliberately created in Germany proper outside plebiscite area. Although existence and formation of such bands in Germany has been freely alleged, we have no precise evidence on the subject. Can you detach a reliable officer to investigate and report as soon as possible?¹ Breslau would perhaps be his best centre.

Addressed to Berlin No. 126. Repeated to Oppeln No. 59.²

¹ In his telegram No. 260 of May 27, not printed, Lord D'Abernon stated that Major Breen had reported the existence of some 3,000 men of the Freikorps Oberland with headquarters at Krappitz and of relatively feeble contingents of students' corps from the Breslau Freikorps; that he had found no evidence for the presence of Reichswehr formations in Upper Silesia; and that the main German forces, equipped by landowners, were local and were led by young officers who were natives of Upper Silesia.

² In his telegram No. 60 of May 24 to Oppeln, not printed, Lord Curzon asked Colonel Percival to 'endeavour to ascertain to what extent German authorities either in Upper Silesia or in Germany beyond Upper Silesian borders are implicated in or cognizant of organization of these bands, and whether there is anything to substantiate allegation that active formations of Reichswehr are participating'.

No. 115

Lord Hardinge (Paris) to Earl Curzon (Received May 25, 9.15 a.m.)

No. 314 Telegraphic [C 10700/92/18]

Urgent

PARIS, May 24, 1921, 9.50 p.m.

Speech of Monsieur Briand to-day in the Chamber of Deputies may be described as being most satisfactory and conciliatory and a strong advocacy for maintenance of Entente and of close co-operation with ourselves. He began by saying that he did not wish to cast any reflections on the soldiers of either side, but it was a difficult task for soldiers to trace the frontiers and that soldiers were not always able to judge the legal interpretation of a document. But French and English Governments had the same end in view namely to keep close to the letter of the Treaty of Versailles. He went on to say that Mr. Lloyd George's speech¹ had been badly interpreted and badly translated but German Government were carrying out their undertakings strictly. The Socialists applauded practically the whole of his speech which it is said will alienate the votes of the Right from him without bringing him any extra votes from the Left, as they will probably abstain from voting. The peroration of his speech was delivered with great feeling and energy in which he said that British nation in 1914 and Americans later had come to France's help and he would not wish to be a party to any policy which did not find agreement with France's friends. Then turning to Forgeot and Tardieu² he said 'if vote goes against me the Ruhr will still be there but I am for a policy of fullest co-operation with British Government'.

The whole speech was coldly received but there is no doubt about his majority which will probably be about four hundred votes, though socialists may abstain.³

¹ Cf. Nos. 64, n. 1, and 91, n. 5.

² For the speeches of M. Pierre Forgeot, deputy for Marne, and M. André Tardieu, deputy for Seine-et-Oise, see *The Times*, May 21, p. 9, and May 20, p. 10, respectively.

³ For a fuller report, see *The Times*, May 25, p. 10.

No. 116

Earl Curzon to the French Ambassador

*[C 10645/92/18]**

FOREIGN OFFICE, May 24, 1921

Your Excellency,

I have the honour to acknowledge the receipt of your Excellency's memorandum of the 21st instant¹ informing me that the French Government are and have been advising the German and Polish Governments to refrain from acts which might increase the difficulties of the situation in Upper Silesia and loyally to assist the French Government in securing the execution of the treaty.

¹ Not printed.

2. While noting with satisfaction that advice has been given in this sense, and that General Le Rond has been instructed that the Commission is to resume the administration of the plebiscite area, I cannot but take exception on behalf of His Majesty's Government to the suggestion made in the penultimate paragraph of your memorandum, that the efforts made by the French Government might have been more successful had the French representative at Berlin and the French commissioner at Oppeln been supported by their British colleagues. This suggestion can only have been made in ignorance of the facts.

3. My memorandum of the 21st instant [*sic*]² describing in detail the action of the French authorities in the plebiscite area, has already shown how unfounded is any suggestion that General Le Rond has not received from Colonel Percival all the support to which he was entitled in suppressing the Polish insurrection, and that it is, on the contrary, the British section of the Plebiscite Commission who have been placed in a position of the utmost difficulty by the inability or unwillingness of the French authorities and the French troops to assist them in the proper execution of their duties. All the information at my disposal confirms me in the belief that Colonel Percival has been particularly active in coping, so far as possible, with the insurrectionary movement in Silesia, and that it is not he who now requires any spur to his energies.

4. It was further pointed out in my above-mentioned memorandum that His Majesty's Government have spared no effort, by representations made at Berlin, to impress upon the German Government the necessity of restraining their partisans and refraining from setting forces, either regular or irregular, in motion. Repeated and not unsuccessful representations have been made at Berlin in this sense, and a scrutiny of the dates and facts would in all probability be found to demonstrate that Lord D'Abernon, so far from lagging behind, has been in advance of his French colleague in this connection. It is not understood, therefore, why he should be suspected of a lukewarmness for which His Majesty's Government have not succeeded in discovering the smallest foundation. Furthermore, the information in the possession of His Majesty's Government does not bear out the statement that the German Government are refusing to pay or feed the workmen in the industrial district, and that the German railway administration is stopping the train service. As to the despatch of money and supplies, His Majesty's Government have given repeated advice to the German Government which has already borne fruit. If the German Government have evinced any hesitation in the matter, it is because they have entertained a not unnatural apprehension that the supplies provided by them might, unless the Commission were able to resume their authority, fall into the hands of the rebels. One food train a day is, in fact, now running from Oppeln. That more have not so far been started has been due to the powerlessness of the Commission to ensure their safety. In these circumstances, there does not appear to be sufficient ground for blaming the Berlin Government either for the sufferings

² The memorandum, No. 93, is dated May 20.

of the population in the area occupied by the insurgents, or for the action of the German bands or local organisations in Upper Silesia, who, in defending themselves and their homes against the entirely unprovoked aggression of the Poles, may not always have observed the proprieties of conduct which they have seen so conspicuously violated around them. It is for the Allied Commission, reinforced as they will presently be by the return of British troops, to revindicate their authority in the disturbed areas, and to show impartially to both parties that lawlessness cannot be permitted with impunity.

I have, &c.,
CURZON OF KEDLESTON

No. 117

Colonel Percival (Oppeln) to Earl Curzon (Received May 25, 11.30 a.m.)
No. 142 Telegraphic [C 10756/92/18]

Urgent

OPPELN, May 25, 1921, 3.35 a.m.

Your telegram No. 57.¹

Major Keatinge is not and never has been in command of German self-protection forces though both he and Lieutenant Bennett have with consent of Commission been in touch with these forces for the purpose of restraining same as already reported.² These officers have written instructions to this effect so that there may be no mistake.

The same rumours to which Your Lordship refers are current here also and I have already commenced enquiries. Keatinge absolutely denies that there is any truth in these reports but in any case I think it will be wise to recall officers for a few days so that a stop may be put to rumours.

I am very reluctant to do this as it means we lose touch with military situation on German side and we shall in future be dependent to a very great extent on French service of intelligence which has but one object in view, namely, that of proving that German Government are actively supporting self-protection movement.

¹ No. 112.

² See Nos. 76, 110, and 112.

No. 118

Colonel Percival (Oppeln) to Earl Curzon (Received May 25, 5.10 p.m.)
No. 143 Telegraphic [C 10807/92/18]

Most urgent

OPPELN, May 25, 1921, 2 p.m.

General de Marinis and I have proposed to Council of Ambassadors [*sic*] that in view of very grave situation immediate steps should be taken to allow German and Polish troops to occupy certain portions of Upper Silesia with a

view to restoring order there with their own troops. We have suggested that German troops should occupy Kreuzburg, Namslau, Neustadt and Leobs[c]-hut(?tz) districts while Polish troops occupy Pless or Rybnik without prejudice to any decision the Supreme Council may come to as regards final allotment. Allied officials would continue their functions of control in these districts. Districts have been selected as above so as to prevent close touch between German and Polish regular troops.

In making this proposal¹ we have laid stress on importance of immediate action due to spread of terrorism and tendency to communistic developments: also on the calming effect that it would have as heralding the approach of decision of Council as to frontier. Le Rond reserves any expression of opinion on ground of opposition from his Government to similar proposal when made on May 7th.²

Repeated to Paris, Berlin and Warsaw.

¹ In his telegram No. 277 of May 26, to Paris, not printed, Lord Curzon instructed Lord Hardinge to urge the French Government to approve the proposal made by Colonel Percival and General de Marinis. In his telegram No. 224 of May 27 to Rome, Lord Curzon instructed Sir G. Buchanan to press the Italian Government to instruct the Italian Ambassador in Paris to support Lord Hardinge.

² See Nos. 9, 36, 38, and 45. The proposal of May 7 had not provided for Allied officials to continue their functions of control.

No. 119

Lord D'Abernon (Berlin) to Earl Curzon (Received May 26, 11 a.m.)

No. 253 Telegraphic [C 10851/92/18]

BERLIN, May 25, 1921, 5.45 p.m.

French Ambassador called on me last night to say he had received most . . .¹ telegram from Monsieur Briand ordering him to make renewed representations to German Government regarding closing of Upper Silesian frontier, use of free bands and self-protection organisation as well as regarding despatch to Upper Silesia of food and wages.

He had also been instructed to urge urgently that his British and Italian colleagues should join in his representations. I replied at once that my instructions were in complete harmony with representations he proposed to make and I should have no difficulty in supporting them. I promised to see Doctor Rosen² to-day.

I added that action he suggested would be merely continuation of representations that I had not ceased to make to German Government during the last ten days. These representations had not improbably contributed in some degree to action of German Government against enlistment of free corps and towards despatch by them to Upper Silesia of both food and money.

I saw Minister for Foreign Affairs this morning and renewed strong advice

¹ The text is here uncertain.

² German Minister for Foreign Affairs from May 23.

I had previously given that German Government should spare no endeavour to close frontier, stop enlistment and to furnish money and food: in short, that they should do everything to calm situation and avoid any action whatever likely to aggravate or embitter it.

His Excellency replied that German Government was doing everything in its power in direction I now indicated. Decree[s] published yesterday³ show how energetic and prompt their action had been. They had considered question as to whether it would be wise to close frontier more effectively by sending reinforcements to Reichswehr but had considered that this reinforcement might be misinterpreted. They intended however to send a high official of superior standing and undoubted impartiality to report to them regarding efficiency of their measures of pacification, regarding also composition of self-protection forces and free corps.

With regard to free corps Rosen said 'nobody is so hostile to free corps as German Government and particularly General von Seeckt, head of Reichswehr. We none of us want any more Putsches or Baltikums. We are, therefore, acting energetically against formation of such corps not only in obedience to advice from Entente but also from internal motives of self interest.'

³ See *The Times*, May 25, p. 10.

No. 120

Lord Hardinge (Paris) to Earl Curzon (Received May 25, 9 p.m.)

No. 317 Telegraphic [C 10804/92/18]

Urgent

PARIS, May 25, 1921, 6.35 p.m.

I communicated substance of your telegram No. 274 as received¹ to M. Briand but unfortunately it did not reach me before he had made his statement in Chamber of Deputies. The French Government have now replied in a note, copy of which is being sent to Your Lordship in tonight's bag.²

While accepting assurances of His Majesty's Government, M. Briand disclaims all wish to continue discussion on this subject. His only regret is that Lord d'Abernon's representations had not been more frequent and had not been made jointly with French Ambassador's, in order to have appearance and force of action taken in common. The note repudiates accusations brought against French troops, expresses appreciation of despatch of English reinforcements, and lastly blames German Government for having either through weakness or connivance committed grave error of allowing recruitment, transport, and arming of volunteers and their entry into Upper Silesia.

¹ No. 113.

² Under cover of Paris despatch No. 1530 of May 25, not printed.

No. 121

Lord Hardinge (Paris) to Earl Curzon (Received May 26, 10 a.m.)

No. 316 Telegraphic [C 10803/92/18]

PARIS, May 25, 1921, 8.20 p.m.

Your telegram No. 272.¹

Immediately on receipt by telephone yesterday afternoon of Your Lordship's telegram No. 274² steps were taken to secure widest publicity as regards representations made by His Majesty's Ambassador at Berlin to German Government about Upper Silesia. Monsieur Millet³ called at Embassy yesterday afternoon and was fully informed by Sir M. Cheetham of contents of Your Lordship's telegrams.

Press this morning reproduces all information contained in Your Lordship's telegram No. 274 but comments that there is still no evidence of Lord D'Abernon's representations having been made in concert with those of French Ambassador and that Italian Ambassador on the other hand has closely cooperated with his French colleague throughout.

I should be glad to learn whether His Majesty's Government did in fact adopt suggestion of the Ambassadors' Conference on May 9th (see antepenultimate paragraph of my telegram No. 258)⁴ that Allied Representatives at Berlin should be instructed to inform German Government of action being taken at Warsaw and ask them to act in cooperation with Allied Governments in their efforts to restore order in Upper Silesia.⁵ If so it would be very desirable to let it be known here.

Sir M. Cheetham's telegram No. 305⁶ was sent by bag reaching London on evening of May 22nd and should have reached Your Lordship's hands on following morning.

¹ No. 104.

² No. 113.

³ See No. 95.

⁴ No. 45.

⁵ See No. 128, below.

⁶ No. 95.

No. 122

Lord Hardinge (Paris) to Earl Curzon (Received May 26, 6 p.m.)

No. 323 Telegraphic [C 10904/92/18]

PARIS, May 26, 1921, 3.13 p.m.

At to-day's meeting of Conference of Ambassadors I called attention to telegram from Upper Silesian Plebiscite Commission to Conference of May 23rd (enclosed in my despatch No. 1514)¹ and suggested that Conference should call upon Polish Government to close their frontier as both they and German Government had undertaken to do. The Italian Ambassador supported me and it was decided that French Minister in Warsaw should approach Polish Government in the name of the Conference of Ambassadors.

¹ Of May 24, not printed. The enclosed telegram had reported that Polish insurgents had crossed the frontier.

A similar representation will be made to Polish Minister in Paris. I am informing His Majesty's Minister in Warsaw of above.²

Monsieur Cambon communicated to Conference a note from Polish Government regarding transport of war material across Germany to Poland (compare your telegram to Oppeln No. 56).³ I informed Conference of action which Colonel Percival was taking in this matter as reported in his telegram No. 139⁴ and suggested that as representations were being made to Polish Government the Conference might take the opportunity of warning them not to exercise in present circumstances their right of importing war material across Germany to Poland. I pointed out however that it was quite possible that it might be drawn from other sources such as Holland. It was finally agreed to tell Polish Minister that it would be desirable that his Government, as an earnest of their sincerity in closing their frontier, should give an undertaking to forego their present right to import war material across Germany.

² Lord Hardinge did so in his telegram No. 7 of May 26 to Warsaw, not printed, which was repeated to the Foreign Office as No. 322.

³ Of May 23, not printed. This had informed Colonel Percival that since the German Government had no power under German law to prohibit the transport of arms over German lines of communication to other countries except in time of war, they feared that arms being thus transported to Poland might be seized by the Upper Silesian insurgents. Colonel Percival was asked whether the Plebiscite Commission could 'give effect to a prohibition of transport of arms, etc., across Upper Silesia for any purpose'.

⁴ In this telegram of May 23, not printed, Colonel Percival had said: 'In view of present state of things I will take immediate steps . . . to prevent transport of arms and ammunition through Upper Silesia regardless of what law may be on subject'. He would also 'ascertain what legal position of Commission is regarding prohibition of such transport'.

No. 123

Earl Curzon to Lord Hardinge (Paris)

No. 279 Telegraphic [C 10574/92/18]

FOREIGN OFFICE, May 26, 1921, 6 p.m.

Your telegram No. 309 (of May 23rd).¹

If you have reason to suspect any intention on the part of the French Government to invite Belgian Government to appoint a representative at meeting of Supreme Council to discuss Silesia, you should make clear that in our opinion there is no case for Belgian participation in a matter which under clause 5 of annex to article 88 of the treaty concerns the Principal Allied and Associated Powers alone.

Repeated to Brussels No. 88.

¹ Not printed. This telegram stated that M. Poincaré (former French President) in an article in the *Temps* of May 22, had advocated the inclusion of Belgium in the Supreme Council's deliberations on Upper Silesia on the 'ground that Belgium is far more interested than Japan in question involving future military resources of Germany'. On May 22, Sir G. Grahame (H.M. Ambassador at Brussels) in his telegram No. 111, not printed, had stated that M. Jaspar, Belgian Minister for Foreign Affairs, was 'very anxious to attend next Supreme Council, which is to consider Upper Silesian question'.

No. 124

Earl Curzon to Colonel Percival (Oppeln)

No. 63 Telegraphic [C 10756/92/18]

FOREIGN OFFICE, May 26, 1921, 8 p.m.

Your telegram No. 142 (of May 25th).¹

Advantage of maintaining touch with military situation seems to us to outweigh whatever advantage there may be in silencing idle rumours of British officers cooperating with German forces. You have full authority to retain officers at their posts if you have not already recalled them.

¹ No. 117.

No. 125

Earl Curzon to Lord Hardinge (Paris)

*No. 1488 [C 11032/92/18]**

FOREIGN OFFICE, May 26, 1921

My Lord,

In a conversation with the French Ambassador yesterday afternoon, in which, quoting from telegrams, he gave me at considerable length the French version of the recent incidents in Upper Silesia, tending to exonerate equally the French forces and the Polish Government, and to inculcate the Germans, I pressed upon him two considerations. The first was that he should let his Government know, with regard to the somewhat ambiguous utterances both of M. Briand and of M. Berthelot, that an occupation of the Ruhr by the French alone, without our knowledge or consent, in retaliation for some alleged German action or inaction in Silesia, could not but have the most deplorable consequences, and must indeed shake the *Entente* to its foundations.

The second consideration was the desirability—as soon as M. Briand had spoken, as I had no doubt that he would, with his customary sobriety and power, and when once he had obtained his parliamentary majority, of which I felt equally certain¹—of summoning without further delay a meeting of the Allied Conference to consider the Silesian question. Once the above conditions were satisfied, I could not regard it as wise further to dally with the matter; and we at any rate were prepared to cross to Boulogne at the earliest convenient date.

I further informed his Excellency of the Cabinet decision to send two more British battalions to Silesia, making six in all. Instead of being grateful for these mercies, he seemed to think that more might have been spared.

The Ambassador regaled me with some criticisms on the recent speeches of the British Prime Minister, but as these appeared to rest either upon an

¹ For M. Briand's speech of May 26, see *The Times*, May 27, p. 10.

earlier and incorrect report of the remarks in question or upon a misunderstanding of what had been said, the conversation had a fraternal ending.

I am, &c.,

CURZON OF KEDLESTON

No. 126

Earl Curzon to Lord Hardinge (Paris)

No. 282 Telegraphic [C 11171/92/18]

Very urgent

FOREIGN OFFICE, *May 27, 1921, 12.35 p.m.*

Now that French Parliamentary situation has cleared and M. Briand has got his majority there seems to be no reason for further delay in summoning allied conference to deal with Silesian question. Every day that passes will render it more difficult to dislodge insurgents and increases chances of collision. Further, if any fresh expedient is to be sought on lines of M. Briand's proposal or otherwise the sooner we discuss and decide upon it the better.

There are probably some in France and elsewhere who desire prolongation of present crisis in order to strengthen Polish hold—which is another reason for speedy action. You should call upon M. Briand therefore to-day and, while congratulating him on his great victory, urge him to summon conference without further delay, since procrastination can only add to difficulties of situation and convey impression that Powers are not in earnest.

This, you may remind him, will only be carrying out his own suggestion conveyed to me in Count de Saint Aulaire's note of May 20th which stated that as soon as the discussion in the French parliament was over, M. Briand would be pleased to come to an understanding with His Majesty's Government as to the date and the details of the inter-allied conference which would have to discuss the question of Upper Silesia.¹

¹ This note is not printed. It expressed M. Briand's willingness for the meeting of the Supreme Council to take place at Boulogne instead of Paris, but explained that he could not fix a date until the beginning of the following week (May 22) because of the debates proceeding in the French Parliament.

No. 127

Earl Curzon to Colonel Percival (Oppeln)

No. 64 Telegraphic [C 10827/92/18]

Immediate

FOREIGN OFFICE, *May 27, 1921, 2.45 p.m.*

Your telegram No. 147 (of 25th May).¹

I had begun to fear that strain of recent events, in which you have played so valuable and energetic a part and have maintained best traditions of

¹ Not printed. This telegram from Mr. Bourdillon informed Lord Curzon that Colonel Percival was 'confined to his bed and . . . on verge of a serious breakdown in health as a result of continuous strain'.

British prestige under disheartening conditions, might impose undue tax on your health, and it is with utmost regret and concern that I learn that my apprehensions have been justified. You may be assured that your devotion to your duties and the manner in which you have dealt with a most difficult situation are fully appreciated by His Majesty's Government, and I trust that you will now dismiss from your mind all pre-occupations save that of ensuring your own early and complete recovery, for which you have my best wishes.²

The selection of a new British Commissioner to take over your duties with as little delay as possible is being considered, together with the measures necessary to relieve and strengthen your staff. Please convey an expression of my sympathy to any members of the latter whose condition gives cause for anxiety.³

² Recognition of Colonel Percival's work in Upper Silesia was given by the conferment upon him of the order of K.C.M.G., announced in *The Times* of June 6.

³ Mr. Bourdillon's telegram No. 147 had mentioned that 'one or two members' of Colonel Percival's staff were 'in same condition' as their chief, and had asked for the despatch of 'immediate relief'.

No. 128

Earl Curzon to Lord Hardinge (Paris)

No. 284 Telegraphic [C 10803/92/18]

FOREIGN OFFICE, May 27, 1921, 3 p.m.

The answer to the question asked in the penultimate paragraph of Your Lordship's telegram No. 316 (of May 25th) as to representations by allied Ambassadors at Berlin,¹ is to be found in Lord d'Abernon's action in urging the German Chancellor on May 13th to exercise his utmost influence to keep German population in hand. See Lord d'Abernon's telegram No. 218 of May 13th.² This representation was clearly based on the suggestion made by the Conference of Ambassadors on May 10th [9th], as reported in your telegram No. 258,³ which had been duly repeated to Berlin. You will observe that the resolution adopted by the Conference did not, at least in the form in which it reached us and Berlin, suggest that the representation to the German Government should be made by the allied Ambassadors jointly, and I have never heard that Monsieur Lauvent [*sic*]⁴ either invited or was refused Lord d'Abernon's cooperation on that or any subsequent occasion.

Repeated to Berlin No. 134 and Rome No. 225.

¹ No. 121.

² No. 59.

³ No. 45.

⁴ i.e. M. Laurent, the French Ambassador at Berlin.

Colonel Percival (Oppeln) to Earl Curzon (Received May 27, 3.55 p.m.)
No. 152 Telegraphic [C 11180/92/18]

OPPELN, May 27, 1921, 3 p.m.

Following telegram is being despatched by Commission to Council of Ambassadors [*sic*].

Begins.

Numerous acts of pillage and destruction are reported to have been committed by Polish insurgents, more particularly in districts of Rosenberg, Rybnik, and Gross Strehlitz. Station of Rosenberg has been completely burnt. Two castles in Gross Strehlitz district have been sacked. Corpses of both men and women have been mutilated. Polish bands that have come in from Posnania at Landsberg have pillaged the country districts and even workmen's cottages. Concentration camps for German prisoners have been established by insurgents on Polish frontier in Kreis Pless. (? Movement) for Italian and British officers and officials in execution of their duty has now become very difficult in territory occupied by insurgents. Officers and officials are often arrested, detained, and subjected to insult: some of them have even been robbed of their money and personal belongings.

Yesterday a train escorted by an Italian and British officer and conveying food and clothing to Italian troops at Gleiwitz was plundered. The two officers, as well as the soldiers who formed escort, were threatened, and only after surmounting many difficulties were they able to proceed.

Commission, which has not ceased to exert every effort to bring about peace and to prevent bloodshed received following telephone message from Polish Consul-General at Beuthen.

'Korfanty asks me to communicate following:

We are prepared to show our submission to decision of allied Powers by restoring administration of occupied territory to Inter-Allied Commission. In order that this may be accomplished in an orderly manner and without compromising safety of person or property of inhabitants or economic life of the country, it appears necessary to us that Commission determine manner in which this restoration should be carried out, and that it should be supervised on the spot by representatives of Commission. We therefore request Commission to take, without delay, such measures as are necessary to bring about a speedy pacification of the country.

Signed Korfanty, Executive Committee.'

Commission immediately considered initial steps required for execution of above request, and particularly that of an occupation by allied troops of a neutral zone between German bands and insurgents, which occupation could not be made effective until after arrival of British troops.

Ends.

Repeated to Paris, Berlin and Warsaw.

No. 130

Earl Curzon to Mr. Bourdillon¹ (Oppeln)

No. 65 Telegraphic [C 9921/92/18]

FOREIGN OFFICE, *May 27, 1921, 3.30 p.m.*

Following passage occurs in the course of a note from French Government justifying actions of French mission in Upper Silesia:²

'French Government has never ceased to demand with utmost energy, both at Oppeln and Warsaw, that everything should be done to enable allied Commission freely to resume administration of Upper Silesia in accordance with treaty. Active participation of British Commissioner in all measures calculated to produce this result has been constantly demanded and not always with success.'

Can you suggest any particular incidents on which this allegation, which on the face of it is incredible, might be based?

¹ See No. 109, n. 6. Mr. Bourdillon frequently deputized for the British Commissioner on the British Section of the Plebiscite Commission.

² See No. 106, para. 8.

No. 131

Lord Hardinge (Paris) to Earl Curzon (Received May 27, 8.15 p.m.)

No. 329 Telegraphic [C 11025/92/18]

Urgent

PARIS, *May 27, 1921, 5.20 p.m.*

My telegram No. 328.¹

Following is text of telegram from Commission to Conference of Ambassadors.

The Italian Commissioner General de Marinis is of opinion that it would be desirable to reduce the zone of inter-allied occupation in Upper Silesia. He proposes therefore that Germany and Poland should occupy that territory on . . .² which Commission has agreed:

1. Germany would be authorised to occupy the two districts of Kreuzburg and Leobschutz and also (? part of) districts of Neustadt and N[a]mslau included in plebiscite area.

2. Poland would be authorised to occupy two districts of Rybnik and Pless.

This solution would have following advantages:

1. It would reduce zone of insurrection.

2. It would prevent contact between German and Polish troops, as German and Polish zones are apart from each other.

¹ Of May 26, not printed. This informed Lord Curzon that Colonel Percival's and General de Marinis's proposal (see No. 118) had been received and would be considered at a special meeting of the Ambassadors' Conference on May 28.

² The text is here uncertain.

3. It would put an end to acts of terrorism committed by Poles in districts of Pless and Rybnik. General de Marinis is of opinion that in these districts insurrection is of a Bolshevik rather less than of a nationalist character. This opinion is shared by British Commissioner, Colonel Percival, who entirely concurs in views of his Italian colleague.

The Italian and British Commissioners, therefore ask Conference of Ambassadors to authorise Commissioners to have territories in question so occupied in plebiscite area as it would have a calming effect on general excitement by indicating intention to settle Upper Silesian question at an early date. It would prevent spread of communism to other parts of territory. The British and Italian Commissioners would point out how urgent it is to take this decision. It would be understood that this step would in no way prejudice ultimate allocation of territories, that Commission would continue to exercise control and that task of German and Polish Governments would be confined to re-establishment and maintenance of order.³
(Signed) Marinis—Percival.

Owing to attitude adopted by French Government on May 7th towards a similar scheme,⁴ the French Commissioner feels obliged to reserve his opinion on principle of proposal put forward by his two colleagues.

(Signed) le Rond.

³ In his telegram No. 330 of May 27 to Lord Curzon, not printed, Lord Hardinge said that it was proposed that the German and Polish occupying troops should 'be under command of Commission or of their respective Governments'. He asked how the functions of the military commanders and of the local representatives of the Commission could be defined so as to avoid friction and said that he assumed that in any case allied troops would be 'withdrawn entirely from areas to be occupied by Polish and German troops'.

⁴ See No. 118, n. 2.

No. 132

Colonel Percival (Oppeln) to Earl Curzon (Received May 28, 10.20 a.m.)

No. 155 Telegraphic [C 11180/92/18]

Urgent

OPPELN, May 27, 1921, 8 p.m.

German press has published a denial that British officers have taken part in fighting between self-protection corps and (? Poles) on side of former and states that presence of British officers with German forces is solely directed towards preventing unnecessary bloodshed. Restraining influence of these officers is I think acknowledged now on all sides and in agreement with Le Rond they are continuing to keep in touch with self-protection force.

As Your Lordship knows, under pressure from British, German railway workers have resumed running food trains to Gleiwitz. Arrangement was that [a] British, French and Italian official should accompany train and insurgents had agreed not to molest this train. On May 23rd, however, food train was held up by insurgents as reported in my telegram No. 151.¹ French

¹ Of May 26, not printed.

officer who should have been there unfortunately missed train but I am not sure that his presence would have made very much difference. Fact is that all the insurgents in many districts are getting beyond control. In these circumstances it is not to be wondered at that German railway workers decline to continue running trains. Fact remains that Commission is unable [to] guarantee protection to these men.

French I think regard self-protection corps as German insurgents. I need hardly point out that Germany can justly claim that in past they relied on Commission for protection against Polish terrorism and that they have shown utmost forbearance. It is now evident to whole world that Commission has no power to protect German inhabitants, and to expect latter to continue to allow their homes and persons to be outraged with impunity without raising a finger in self defence is to demand the impossible from human nature.

Repeated Paris, Berlin and Warsaw.

No. 133

Lord Hardinge (Paris) to Earl Curzon (Received May 28, 10.5 a.m.)

No. 332 Telegraphic [C 11055/92/18]

Urgent

PARIS, May 27, 1921, 10.45 p.m.

In view of proposed meeting of Conference of Ambassadors tomorrow I enquired this afternoon at Ministry for Foreign Affairs as to attitude of French Government towards Anglo-Italian proposal contained in Colonel Percival's telegram No. 143 of May 25th.¹

Monsieur Berthelot told me that he had not closely discussed the proposal, which had both merits and de-merits, since situation had in the meantime entirely changed, according to telegrams just received from General Le Rond and French Minister at Warsaw. The latter telegraphed that Chief of State had communicated to him a telegram stating that Korfanty had telegraphed that night to General Le Rond announcing that Polish insurgents had laid down their arms and recognised the complete authority of commission in all territory occupied by them.

The telegram from General Le Rond was to the effect that he had received a communication from Polish Consul-General in Upper Silesia stating that Korfanty had addressed a letter to him to inform him of decision of Insurgent Committee to submit to decisions of allied powers and to hand over to Inter-allied Commission the administration of all territory in insurrection.² With a view to this operation being effected in good order without compromising security of inhabitants or economic life of the country, they asked that it should be taken in hand by Inter-allied Commission and its execution superintended by its representatives. At the same time Korfanty asked on behalf of committee that Inter-allied Commission should take in hand at

¹ No. 118.

² Cf. No. 129.

once all necessary measures in order to obtain as rapidly as possible the general pacification of the country.

M. Berthelot read me a further telegram from General Le Rond in which latter stated that in view of Korfanty's decision, he proposed the establishment of a neutral zone between Poles and Germans which should be occupied by allied troops, but that in view of the unwillingness of Italian troops to come into further contact with insurgents, he would be unable to carry out the completion of this operation until arrival of British battalions. Monsieur Berthelot remarked that under the circumstances he saw no necessity for meeting of Conference of Ambassadors to-morrow. I replied that I was not of his opinion in view of the fact that telegrams which he had shown to me had not been communicated to my colleagues and that it was desirable that French representative should communicate them and should make a statement to conference of views of French Government. It would be then for Conference to decide as to what action should be taken in view of new developments. To this he agreed. I pointed out to him however that several days must necessarily elapse before British troops could arrive on the spot and it seemed to me that all sorts of things might happen in the meantime. To this objection he answered, now that Poles were laying down their arms, there need be no fear on their score, while General Hoeffler had already guaranteed that he had his troops well in hand and that consequently no untoward incident need be anticipated.

While discussing this question with M. Berthelot Your Lordship's telegram No. 282 of to-day's date was brought to me³ and I asked at once to see President of the Council. I read to him your telegram and he at once replied by referring me to telegrams I have already quoted and remarked that although situation which might have been created by Anglo-Italian proposal had its merits, the present situation in Upper Silesia was infinitely better and that he looked forward in a few days time to the complete restoration of control of Inter-allied Commission over the whole territory of Upper Silesia without any incursion of either German or Polish regular forces. This, he argued, was the situation which naturally everybody must desire and which until now it had seemed very difficult to re-establish. Consequently the difficulties and dangers of the situation foreshadowed in your telegram had for the time being at any rate been removed. Your telegram had crossed one which he had sent to French Ambassador in London, in which he stated that he would be occupied with interpellations in Senate until the evening of Tuesday⁴ next but that in the meantime he proposed that each Power should name a technical delegate⁵ and he outlined once more the proposal contained in my telegram No. 313 of May 24th.⁶ If you approve of this suggestion, these committees should be appointed at once, with a time limit of a week or ten days, in which to draw up a scheme to be submitted to Supreme Council when

³ No. 126.

⁴ i.e. May 31.

⁵ Subsequently corrected to read 'technical delegates' in Lord Hardinge's telegram No. 339 of May 29, not printed. Cf. No. 136, below.

⁶ No. 111.

it meets, for their criticism and discussion. He remarked that he would be available and that scheme should be ready by middle of the week after next. He argued that situation was no longer critical and that a few days interval would be very desirable for general appeasement of population. M. Briand asked me to convey to Your Lordship his very cordial thanks for your congratulations on his success in Chamber.

I have since seen my Italian colleague and we propose at Ambassadors Conference tomorrow, in view of new developments, to simply suspend any discussion of Anglo-Italian proposal but not to withdraw it.

No. 134

Colonel Percival (Oppeln) to Earl Curzon (Received May 28, 2.30 p.m.)

No. 157 Telegraphic [C 11079/92/18]

Urgent

OPPELN, May 28, 1921, 3.30 a.m.

There is no evidence to prove that there is the slightest improvement in situation in spite of Korfanty's offer to hand over administration of occupied area to commission. Yesterday Polish insurgents entered suburbs of Gleiwitz and murdered a German. This morning at Zabrze (? they) seized some two hundred Germans including a number of Upper Silesian police who were under immediate protection of French guard. An attack was also delivered by insurgents against Ratibor. This was beaten off. Considerable amount of firing also reported from south of Cosel. An Italian officer at Lublinitz reports that military supplies continue to pass Polish frontier from direction of Chęstochowa [Częstochowa], and that he believes that a number of officers of Polish army are [*sic*] at present in Lublinitz. Also that a horse-battery manned by civilians is in this district. I am trying to obtain information of above from Colonel Beall, District Controller at Lublinitz. So far he has not reported this.

The only satisfactory information I have is that German self-protection force is remaining passive.

Relations of de Marinis and myself on the one side and Le Rond on the other are becoming daily more strained. Le Rond now proposes that Commissioners should move to Gleiwitz. I suspect that French intend to (? abandon) Kattowitz and perhaps Beuthen with a view to concentrating at Gleiwitz. I am half inclined to believe that move to Gleiwitz is proposed because commission there would come under influence of Korfanty's insurgents who have complete mastery of industrial area, and I accordingly do not intend to agree to move at any rate for the present.

Repeated to Paris, Berlin and Warsaw.

No. 135

Colonel Percival (Oppeln) to Earl Curzon (Received May 28, 3.5 p.m.)

No. 156 Telegraphic [C 11078/92/18]

OPPELN, May 28, 1921, 11.48 a.m.

General Hoeffler made following statement today to Major Keatinge, who is in charge of officers detailed to keep back German advance. He hoped that self-protection corps which were composed of Upper Silesians only would be allowed to support British troops should latter operate against insurgents. He complained that sending money and food into industrial area was reinforcing the efforts of insurgents who had been given time also to consolidate themselves in industrial area. He again pointed out that at special request of commission he had stopped his men advancing when they could have swept forward a considerable distance. This he said he had done because of assurance that commission would take necessary steps to immediately restore order.

With regard to above I should add Le Rond still maintains that Polish insurgents intend to retire and that all they are . . .¹ is allied troops should form a screen between them and Germans to allow an unmolested retreat. I have pointed out if this was Polish intention I failed to . . .¹ why Poles were (? increasing) their foothold in industrial area where there was absolutely no German threat. I have insisted on concentration of British troops at Oppeln to begin with so that (? no) unnecessary risk is taken of British force being committed to operations in small numbers at a distance from their base and also to give a free hand to military commander on arrival as regards future operations.

Repeated to Paris and Warsaw.

¹ The text is here uncertain.

No. 136

Earl Curzon to Lord Hardinge (Paris)

No. 294 Telegraphic [C 11098/92/18]

FOREIGN OFFICE, May 28, 1921, 7 p.m.

Your telegram No. 332¹ leaves us in some doubt as to latest form of Monsieur Briand's proposal for whereas you speak of each Power naming a single technical delegate² you also refer to French suggestion reported in your earlier telegram No. 313,³ that the three Powers should each name three delegates, a suggestion which you say that Monsieur Briand has again repeated. Further the proposal contained in your No. 332 that these Committees should report within a week or ten days appears to indicate that they should meet not in Silesia but in Paris or some other centre where they would not have requisite knowledge or experience at their disposal where all their

¹ No. 133.

² See No. 133, n. 5.

³ No. 111.

information would be second hand and where necessary reference to Silesia must involve great delay.

In our opinion Allied Commissioners having discharged their duty as to recommending frontier line under the Treaty but having unfortunately failed to arrive at a unanimous conclusion on this point there is much to be said for appointment of an independent body whose actual composition need not be determined for the moment which should proceed to Silesia and after study of the case on the spot should advise the Powers before the latter come to a final conclusion. But clearly such a body can only be appointed by decision of the Supreme Council itself and this could not be given except under definite guarantees that while the new advisers are operating Korfanty on the one hand and the Germans on the other will simultaneously disarm. An essential preliminary condition is therefore an immediate meeting of the Supreme Council to discuss appointment and to formulate the requisite conditions. We urge therefore that Monsieur Briand shall summon a meeting of the Allied Conference for Wednesday or Thursday next week⁴ at Boulogne. Our Prime Minister will not be available on or after Saturday as he expects to be engaged in negotiations for the settlement of the coal strike. He also has important engagements during the week following.

A further reason for urgency is position in Silesia itself our information from which does not confirm sanguine estimate given by Monsieur Briand and where continued delay may be fraught with very serious consequences.

Supreme Council could also fix date within which new advisory body should report and there would of course have to be a further meeting of Council later on to receive report and to come to final decision as to frontier. We hope that these suggestions will meet with Monsieur Briand's approval since they appear to afford the only way in which his proposal can be placed on proper basis.⁵

⁴ i.e. June 1 or 2.

⁵ Lord Hardinge embodied Lord Curzon's suggestions in a note to M. Briand, not printed, dated May 29. A copy of this note was transmitted to Lord Curzon under cover of Lord Hardinge's despatch No. 1580 of May 29, not printed. Lord Hardinge had enclosed with the note, for M. Briand's information, a copy of the first part of the text of Oppeln telegram No. 157 of May 28, see No. 134.

No. 137

Lord Hardinge (Paris) to Earl Curzon (Received May 29, 12.25 p.m.)

No. 335 Telegraphic [C 11073/92/18]

PARIS, May 28, 1921, 8.20 p.m.

Conference of Ambassadors met this morning to consider proposal by General de Marinis and Colonel Percival to introduce German and Polish troops into certain parts of Upper Silesian plebiscite area. (See Colonel Percival's telegram No. 115).¹

¹ Of May 17, not printed. This had reported General de Marinis's support for Colonel Percival's views. See also No. 118.

Monsieur Cambon, acting as mouthpiece of French Government, while recognizing that the present proposal differed to [*sic*] that made by His Majesty's Government in Your Lordship's telegram No. 222,² maintained that it was open to the same objections as the latter. Although occupation of Kreuzburg [and] Leobschutz by German troops was unobjectionable, the same could not be said of the introduction of Polish troops into Pless and Rybnik in as much as these districts formed part of the next [*sic*] mining area, and their occupation by Polish troops, although provisional, would give the impression that definite allocation of these districts was being pre-judged with a view to ultimate partitioning of mining area. Such an impression might very easily give rise to very serious consequences. Moreover, since the proposal was put forward, the position in Upper Silesia had been improved considerably by Korfanty's announcement that insurgents are prepared to surrender and hand back administration of revolted districts to Commission. (See Oppeln telegram No. 152).³ In the circumstances M. Cambon proposed that proposal to use German and Polish troops should be rejected.

I objected strongly to this course and refused to accept the view that Korfanty's offer of surrender had necessarily so altered the situation as to render Percival-Marinis proposal obsolete. I pointed out that we had only Korfanty's word to rely upon and that so far there was nothing to show that he was any longer able to speak in the name of his followers or that (? instructions) given by him would be carried out by insurgents now that the latter were indulging in pillage and brigandage, and therefore presumably no longer under the control of their leaders. In the circumstances, if nominal surrender of Korfanty fails to produce the pacification hoped for, the allied Governments will again have to consider measures for obtaining this purpose. So far the only measure proposed is that recommended by General Marinis and Colonel Percival. The French have suggested no alternative. On the other hand, I could not agree that it was open to the same objections as previous proposal and M. Briand himself had expressed the view to me that in principle it was a good scheme. Far therefore from allowing it to be dismissed, I could only agree that a decision with regard to it should be suspended pending the receipt of further information as to change in the situation produced by Korfanty's offer to surrender.

I was supported by the Italian Ambassador who expressed regret at uncompromising attitude adopted by French Government since he had understood from General de Marinis that General le Rond approved the proposal in principle. It was denied by French.

In face of this opposition, M. Cambon did not continue to press for rejection of the proposal and it was finally agreed to request Commission by telegram to report forthwith as to Korfanty's ability to carry out undertakings which he has given on behalf of insurgents and to state whether negotiations with Korfanty are such as to render obsolete the Percival-Marinis proposal. In the meanwhile further consideration of Percival-Marinis proposal is to be suspended pending the receipt of this further information.

² No. 36.

³ No. 129.

The Commission are at the same time to be told that Conference approves the idea of establishing a neutral zone between German bands and Polish insurgents (see last paragraph of Colonel Percival's telegram No. 152) and they are not (*sic*) to be asked to institute this neutral zone if possible without delay and without waiting the arrival of all six British battalions.

Repeated to Oppeln, Berlin and Warsaw.

No. 138

Lord Hardinge (Paris) to Earl Curzon (Received May 29, 10 a.m.)

No. 336 Telegraphic: by bag [C 11074/92/18]

PARIS, May 28, 1921¹

The 'Echo de Paris' published yesterday a distorted version of the proposal for the introduction of German and Polish troops into certain areas of Upper Silesia. As the proposal was described as a partition of the plebiscite area I issued a contradiction last night and lodged a protest at to-day's meeting of the Conference of Ambassadors. The Italian Ambassador similarly protested against the publication in the press of an inaccurate version of Count Sforza's compromise² for the partition of Upper Silesia.

As usual Monsieur Cambon expressed regret, absolved the Ministry for Foreign Affairs of responsibility, despaired of locating the leakage and inclined to attribute it to the irresponsible gossip of minor officials.

I made it clear that in my opinion this continual leakage was due to the close relations between the Quai d'Orsay and Pertinax.³

¹ The time of despatch of this telegram is not recorded.

² See No. 109.

³ See No. 46, n. 1.

No. 139

Lord Hardinge (Paris) to Earl Curzon (Received May 29, 11.10 a.m.)

No. 337 Telegraphic [C 11075/92/18]

PARIS, May 28, 1921, 8.20 p.m.

My telegram No. 332.¹

A note just received on the subject of the coming meeting of Supreme Council gives what M. Briand describes as his views the day after vote in Chamber and before the debate in Senate. While repeating that he agrees in principle to meeting of Supreme Council at Boulogne,² he makes the following stipulations:—

1. It would be no use discussing in Supreme Council the partition of Upper Silesia so long as present double insurrection continues, as it would be impossible to carry out the decisions of allied Governments. If however reported surrender of Polish insurgents takes place and is followed by *bona fide* surrender of Germans, delay ought to be only one of a few days, and could

¹ No. 133.

² Cf. No. 126, n. 1.

offer no danger, but would rather be of advantage since it would give time for British troops to arrive.

2. A commission of experts, diplomatists, technicians and jurists ought to meet in Paris to prepare a report to be submitted to Supreme Council since military commissioners at Oppeln have been unable to come to an arrangement and have been influenced by local prejudices.

M. Briand calculates that, taking into account these delays, Supreme Council would be able to meet in about 10 days time and he expresses the hope that Mr. Lloyd George will concur in this procedure.

Copy of M. Briand's note follows by tonight's bag in my despatch No. 1567.³

³ Of May 28, not printed.

No. 140

Colonel Percival (Oppeln) to Earl Curzon (Received May 29, 6 p.m.)

No. 158 Telegraphic [C 11080/92/18]

OPPELN, May 29, 1921, 3 p.m.

Your telegram No. 65.¹

I know of no particular incident which could lend colour to allegation. Perhaps French Government refers to my constant refusal to negotiate directly with Korfanty and more especially on the subject of allowing insurgents to control railway directorate at Kattowitz. Facts regarding this are as follows.

During the second week of insurrection (? two or three) German leaders presented themselves to Commission and stated that German population was greatly perturbed over certain rumours that Commission was conducting negotiations with Korfanty which might lead not only to recognition of insurgents but also to acceptance by Commission of conditions which would adversely affect German population. General le Rond replied very emphatically in the presence of Marinis and myself that Commission would never recognise Korfanty nor would it ever conduct negotiations with him. He also promised that Commission would not recognise establishment of line of demarcation. These statements received wide publicity and were fully endorsed by me. Having been made in presence of all three Commissioners population has accepted them as conclusive. Since that date attempts have been made by French officials to induce me to break promise given. For instance M. Choquet of railway department came from Kattowitz to Oppeln one day and said that if Commission would authorise him to conduct negotiations with insurgents he thought he could arrange for resumption of railway traffic. As a matter of fact at time he was having conversations with insurgents and latter had put forward preposterous conditions such as handing over of control and supervision of German railway service almost completely to insurgents. Choquet admitted that their conditions were impossible but suggested that if only Commission would authorise him to negotiate he

¹ No. 130.

would obtain better conditions. Views expressed by me were that it was Choquet's business to do his best for railway service, and for that, it was not necessary to obtain special authority from Commission. He knew word of latter was pledged not to authorise negotiations. Choquet has returned to Kattowitz and has held many conferences with insurgents since then but nothing has materialised. In proof that there is no need for special negotiations by Commission to obtain resumption of railway service is fact that British officials have managed to arrange for resumption of food train service without such authority.

Apart from question of honour there is another point of view. I agree that everything possible should be done to re-establish railway communication, and if it were merely a question of authorising negotiations with Korfanty this could be solved by my being eliminated from Commission. But submission to Korfanty's conditions will not help matters as German railway workers will never submit to Polish control. In fact it is to my mind certain that we should in this case lose even train service British have restarted.

Day before yesterday Commission delegated Monsieur Ponsot, Colonel Hawker,² and an Italian official to proceed to Kattowitz to see if they could not make some arrangement. On arrival there Ponsot suggested that they should all three interview Korfanty. Colonel Hawker quite rightly refused. Nothing can be effected (? without) goodwill of Germans, and to start negotiations by a visit to Korfanty is last means leading to an end [*sic*].

Tonight I am going to propose to Commission that negotiations with Germans be left to British officers in hope that Choquet may be able to put forward reasonable proposals for an understanding.

Great importance to insurgents of obtaining control of railways is patent by fact that they went to extreme of cutting off Kattowitz water supply to obtain this result. It is evidently not merely a question of restoring normal railway service, for this insurgents could do at a moment's notice by setting free railway stations and by carrying out Korfanty's promise to disarm, now long overdue for fulfilment. If they make such a point of control it seems to me to show their intention of keeping what they hold. Next few days may show.

A special meeting of Commission will be held tonight to see if some new way out can be found.

Another incident which comes to my mind is the one reported by me in my telegram No. 104 of May 13th when I insisted that in his negotiations with Korfanty for immediate cessation of hostilities Polish Consul General should speak in the name of Poland.³

Repeated to Berlin, Paris and Warsaw.

² Lieutenant-Colonel C. J. Hawker, British Member of the Cabinet de la Commission.

³ This telegram is not printed. Colonel Percival had insisted that the Consul-General should speak not 'on behalf of the Commission' but 'throughout in his capacity of Consul General and on behalf of Poland'.

Colonel Hawker¹ (Oppeln) to Earl Curzon (Received June 1, 10.55 a.m.)
No. 163 Telegraphic [C 11399/92/18]

OPPELN, May 31, 1921, 4.10 p.m.

Situation in industrial area has become more serious in last 48 hours. On the night of May 29th in Beuthen Germans appear to have formed a plan to attack barracks containing French garrison, seize their 4 tanks and disarm soldiers as a protest against the behaviour of the French and with a view to obtaining a British garrison in their place. Actually a number of French officers and soldiers were fired on in the streets. French tanks then turned out and fired 20 shells into houses whence rifle fire came. Polish insurgents meanwhile were with difficulty restrained from entering the town and order was eventually restored mainly through efforts of Captain Fen assistant district controller of Beuthen rural. Casualties appear to be several civilians killed and wounded—one French soldier wounded and one disarmed but up till now I have had no detailed information. Major Cassels British district controller at Tarnowitz who was in Oppeln today reports that he does not consider the situation can be controlled many more days. (? Polish) insurgents he states are firing into gardens on outskirts of town and killed a man and a woman, while demonstrations by German populace against French garrison have assumed dangerous proportions on one or two occasions.

In these circumstances I shall probably be forced to recall within the next few days all British personnel serving in Beuthen and Tarnowitz, which will leave me with British officials in Lublinitz, Kattowitz and Gleiwitz and Gross Strehlitz only in occupied area where there are French garrisons.

On May 28th during an attack on German self-protection forces by Polish insurgents at Leschna near Rosenberg two Polish prisoners were captured and gave evidence in the presence of my police liaison officers to the effect that they belonged to 27th Infantry Regiment of regular Polish army and had crossed Upper Silesian frontier at Preussisch-Herby on May 24th. I will forward a complete statement of this case by next bag.²

Yesterday Colonel Caput director and an Italian representative of military department accompanied by Colonel Wauchope³ visited General Hoeffler commanding German fighting forces and discussed with him the possibility of forming neutral zone alluded to in my telegram No. 152.⁴

¹ After the resignation of Colonel Percival (see No. 127, n. 1) Colonel Hawker acted as British Commissioner until the arrival on June 4 of the new Commissioner, Sir Harold Stuart, who had recently resigned from the Inter-Allied Rhineland High Commission. Colonel Percival left Oppeln on June 7 to recuperate in Czechoslovakia.

² Forwarded under cover of Oppeln despatch No. 40 of June 1, not printed.

³ Colonel A. G. Wauchope had commanded the four British battalions which had arrived in Upper Silesia in March 1921 but had been withdrawn to Cologne after the plebiscite. The six battalions which arrived in Upper Silesia at the end of May and early June were placed under the command of Major-General Sir William Heneker, who arrived in Upper Silesia on June 2.

⁴ No. 129.

Colonel Wauchope reports a proposal was made to General Hoeffler that a neutral zone should be formed by both belligerent parties to retire [? retiring] same distance day by day and ground thus vacated should be occupied by allied troops, but that General Hoeffler gave him the impression that he would not be in a position to order retirement of the forces under his command.

Yesterday evening Herr von Mol[t]ke expressed surprise that German self-protection forces should be treated on the same footing as insurgents and stated that he did not see how the Commission could expect General Hoeffler to order his men to retire. I agree with views put forward by Colonel Percival in his telegram No. 162⁵ and do not consider German forces should be called upon to retire until the insurgents have done something to prove their good faith. I am therefore maintaining this policy in Commission.

Repeated to Paris, Berlin and Warsaw.

⁵ Of May 31, not printed. See No. 143 below.

No. 142

Lord Hardinge (Paris) to Earl Curzon (Received May 31, 9.45 p.m.)

No. 349 Telegraphic [C 11306/92/18]

PARIS, May 31, 1921, 4.30 p.m.

My telegram No. 340, 30th May.¹

The promised note² reached me this morning.

The French Government would have preferred that committee of experts should meet in Paris. Its presence at Oppeln will expose it to influence of local feelings and will tend to weaken authority of Allied Commission. Nevertheless, the French Government are prepared to accept proposal that Committee should go to Upper Silesia.

On the other hand, they do not accept proposal that a preliminary meeting of Supreme Council is necessary. Public opinion is opposed to frequent meetings of Supreme Council which tend to inflame the press and provoke criticism, and in this case in particular might create further excitement in Poland and in Germany. Monsieur Briand will not be free owing to debates in senate, either on Wednesday or on Thursday,³ and after this Mr. Lloyd George will apparently not be available till after end of next week. Moreover it will be difficult to arrange for Count Sforza's presence at Boulogne at such short notice.

The first question to settle in opinion of French Government is re-establishment of order and disarmament of German and Polish bands in Upper Silesia. This can best be realized by concerted action on the part of allied representatives at Warsaw, at Berlin, and at Oppeln. The French Government are convinced that situation has much improved but German Govern-

¹ Not printed. In this telegram Lord Hardinge reported that M. Briand, who had returned to Paris on May 30, had promised a reply to his note of May 21. (See No. 136, n. 5.)

² Of May 30, not printed.

³ i.e. June 1 or 2.

ment must be made to carry out their promises to remove embargo placed on railways and on supplies of food and money in industrial area. This embargo is root of difficulties indicated in Colonel Percival's telegram No. 157, the substance of which I had communicated to Monsieur Briand.⁴ On the other hand the Poles must be induced to carry out promises made by Korfanty to disarm but this can only be done simultaneously with disarmament and dissolution of German bands under General Ho[e]fer. The pacification of the country has been delayed principally by refusal of Colonel Percival to enter into negotiations with the two parties.

In short the French Government make following proposals:

1. That allied representatives at Berlin and Warsaw present an identic note announcing despatch of a committee of experts to Upper Silesia and summoning the two Governments to induce their nationals in Upper Silesia to lay down their arms and submit to authority of Allied Commission.
2. To instruct the commissioners at Oppeln jointly to bring all possible pressure to bear both on Germans and Poles and to make a public proclamation to the effect that treaty will be strictly and impartially applied and that resistance from either side will be calculated to influence result.
3. That the three experts (a diplomatic [*sic*], an engineer and a jurist) should be appointed by each country and sent at once to Upper Silesia with instructions to present a full report within a fortnight, basing themselves on terms of treaty and of results of plebiscite by communes and taking into account geographical and economic conditions.
4. That there should be a meeting of Supreme Council at Boulogne as soon as report of this commission is received.

The note adds that it will be duty of committee of experts to examine all partial solutions such as the proposed immediate occupation of Kreuzburg and Loebchutz [*sic*] by German troops and of Pless and Rybnik by Polish troops.⁵ Arguments are advanced against adoption of this particular proposal.

Text of note follows by bag.⁶

⁴ See No. 134, and No. 136, n. 5.

⁵ Cf. Nos. 118 and 131.

⁶ Under cover of Paris despatch No. 1600 of May 31, not printed.

No. 143

Lord D'Abernon (Berlin) to Earl Curzon (Received June 1, 9.45 a.m.)
No. 279 Telegraphic [C 11313/92/18]

BERLIN, May 31, 1921, 8 p.m.

Minister for Foreign Affairs this morning read me a report from Doctor Meyer a high official at the Foreign Office who has just returned from Upper Silesia.

This report was to the effect that proposal to establish a neutral zone had been refused by General Hoeffler and was regarded by Germans in Upper Silesia as indicating that English were abandoning their ground. General Hoeffler had declared that Korfanty was a rebel whereas he (Hoeffler) was not a rebel but a representative of the people who had been deprived of their natural rights and driven out of their homes. He could not agree to being treated on the same basis as Korfanty. If this neutral zone proposal is insisted on he will not be able to restrain his troops.

I told Minister for Foreign Affairs that German hostility to neutral zone plan appeared to me exaggerated. Any attack by Germans at the present juncture was insanity. British troops were just arriving in Upper Silesia, a British Divisional General was already on his way there and a British official of highest authority and ability was taking his place on Plebiscite Commission. I urged him therefore in strongest terms to keep a firm hand on German forces and to restrain them.

Minister for Foreign Affairs said that he personally agreed with my view but he had the greatest difficulty with his colleagues and subordinates.

While I held above language to Minister for Foreign Affairs, I should add that, after reading Colonel Percival's arguments against a neutral zone, I realise how impossible it will be to induce Hoeffler to abandon Annaberg to French.¹ This is the only strategical point in the country and there is little chance of Germans giving it up except to British in whose firmness they feel confident.

Repeated to Paris.

¹ In his telegram No. 162 of May 30, not printed, Colonel Percival stated that the neutral zone 'will be regarded by the Germans as involving sacrifices of what little they have managed to save of Upper Silesia'. Having defended the line of the Oder, General Hoeffler had seized the dominating ground of Annaberg. Colonel Percival further reported that General Le Rond had proposed in the Inter-Allied Commission that French troops should occupy this area.

No. 144

Lord Hardinge (Paris) to Earl Curzon (Received June 1)

No. 252 Telegraphic: by bag [C 11308/92/18]

PARIS, May 31, 1921

My telegram No. 349 of today's date:¹

Upper Silesia.

Your Lordship will observe that the French Government in their latest note repeat the allegation already made in their Note of May 23rd² that the delay in pacifying Upper Silesia is principally due to the attitude of Colonel Percival in refusing to negotiate with the German and Polish bands.

This accusation was taken up this morning in an obviously concerted fashion by practically the whole of the Paris press, which indulges in most venomous attacks on Colonel Percival. It is generally insinuated, or openly

¹ No. 142.

² No. 106.

stated, that his illness is a diplomatic pretext for his withdrawal, and that His Majesty's Government have at last realised the pernicious effect of his 'pro-German activities' and of his 'obstructive attitude' in opposing negotiations with the Insurgents. The impression which it is sought to give is that Colonel Percival's policy is now disavowed by His Majesty's Government.

I am addressing a strong Note to M. Briand regretting these crit[ic]isms of Col. Percival by the French Government and by the French Press, particularly at the moment of his break-down in health necessitating his resignation; I have indicated that His Majesty's Government entirely approve the attitude of Colonel Percival, and pointed out that his attitude is, in fact, identical with that taken by the Conference of Ambassadors at their meeting of May [13]³ and with the proclaimed policy of General Lerond, who at an early stage of the insurrection, gave definite assurances to the German leaders in Upper Silesia that the Commission would in no case recognise or negotiate with the Insurgents (see Oppeln telegram No. 158).⁴

I will send a copy of this note by the next bag.⁵

At the same time, in view of the warm tribute paid by Your Lordship to the services rendered by Colonel Percival in your telegram No. 64 to Oppeln,⁶ your Lordship may think it desirable that these insinuations should be publicly and emphatically refuted.

³ The date was omitted in the original, but supplied in Paris telegram No. 353 of June 1, not printed.

⁴ No. 140.

⁵ Transmitted under cover of Paris despatch No. 1613 of June 1, not printed.

⁶ No. 127.

No. 145

Mr. Max Muller (Warsaw) to Earl Curzon (Received June 2, 5.30 p.m.)

No. 287 Telegraphic [C 11523/92/18]

WARSAW, June 1, 1921, 10.10 p.m.

Lord D'Abernon's telegram No. 271 [? 279].¹

I agree with His Lordship that it would be absurd to ask General Hoeffler to evacuate Annaberg and establish French there, and I even admit that up till now it would not be just to treat him on same footing as Korfanty. Still I submit that it might with advantage be pointed out to Hoeffler that if he resists or even protests unduly against execution of measures which Commission consider necessary in order to restore their authority, such as formation of neutral zone (see Colonel Hawker's telegram unnumbered of May 31st)² he will place himself in the same position as Korfanty and will be treated accordingly.

Repeated to Berlin, Paris and Oppeln.

¹ No. 143.

² i.e. telegram No. 163 (No. 141).

No. 146

Lord Hardinge (Paris) to Earl Curzon (Received June 2)

No. 357 Telegraphic: by bag [C 11436/92/18]

PARIS, June 1, 1921

Following sent to Oppeln to-day No. 23.

'Your telegram No. 130 to me¹ and last paragraph of your telegram No. 163 to Foreign Office.²

'The proposal for the creation of a neutral zone put forward by the Commission in their telegram of May 27th³ and approved by the Conference of Ambassadors on May 28th⁴ was the corollary of Korfanty's promise to withdraw, and the creation of this zone is therefore conditional on carrying out of this promise. It was clearly intended that the ground occupied as a neutral zone should be that evacuated by the insurgents, who have been the aggressors, and I agree that it would be extremely difficult, at any rate till the insurgents have withdrawn, to call on the Germans to evacuate their defensive positions or to place them on the same footing as the insurgents.

'If General Lerond endeavours to use the resolution of the Conference in support of any policy other than that indicated above, I will bring the matter up again at the Conference, whose intentions in the matter were quite clear. Please telegraph at once in the event of your wishing me to do so, as Conference meets on morning of June 3rd.

'Further, it seems necessary to guard against the danger that the creation of a neutral zone should be the instrument for reverting to the discarded policy of a permanent demarcation line between the forces of the Commission and those of the insurgents.

'Repeated to Foreign office, by bag No. 357.'

¹ Not traced in Foreign Office archives.

² No. 141.

³ No. 131.

⁴ See No. 137.

No. 147

Record by Sir E. Crowe of a conversation with the German Ambassador

[C 11877/92/18]

FOREIGN OFFICE, June 1, 1921

The German Ambassador handed to me to-day a memorandum¹ referring to the proposal—which he said the German Government understood had been made by the Inter-Allied Commission in Upper Silesia—to invite Polish and German forces to occupy certain parts of the province in anticipation of their being definitely assigned to Poland and Germany. The German Government protested against the adoption of any such proposal, which they consider would only increase the agitation in the country and the unsettlement of the minds of the inhabitants. The one essential thing was to proceed with the allocation of the territory in accordance with the Treaty.

¹ Not printed.

I said I was somewhat surprised to receive this communication. I could not say whether the proposal to which he had referred would in effect be carried out. No decision had so far been taken in the matter: but it was obvious that the proposal was made for the very purpose of bringing about an amelioration of the local situation and leading to a more rapid establishment of order and tranquil[l]ity in the districts which Poland and Germany were to be invited to occupy.

This elicited from M. Sthamer the statement that the real reason of the German protest was, that the German Government remained of opinion that the whole of Upper Silesia ought to remain with Germany, and that no other solution would really be in accordance with the Treaty. I suggested to M. Sthamer that this was not practical politics, and I hoped the German Government would not start another agitation on the basis of this renewed contention which, in the circumstances, they must be perfectly well aware could not be made good.²

E. A. C.

² Lord Curzon commented: 'The first time I have known Herr Sthamer both foolish & stupid.'

No. 148

Record by Sir E. Crowe of a conversation with the French Ambassador

[C 11751/92/18]

FOREIGN OFFICE, June 1, 1921

The French Ambassador, after handing me a note on the subject of the resignation of the German official attached to the Rhineland Commission¹—which will be dealt with on the files—entered into a long discourse, which partook more than anything else of the nature of a monologue, in which he mixed up the question of Upper Silesia, the unsatisfactory situation at Constantinople, the proposed meeting of the Supreme Council, the excitement caused in French public opinion by Mr. Lloyd George's recent speeches and declarations, and the general question of Anglo-French relations. It was all rather incoherent, but I noted a few salient points which arose:

(1) He was anxious to know whether we were sending a technical commission to Silesia in accordance with Monsieur Briand's proposal, but although he repeated the question several times, and though I made an effort to explain why we had not yet seen our way to act as suggested, he never allowed me to say more than a few words—being more bent on himself continuing his overflowing discourse. To my question whether his Government had any precise plan as to the functions of the proposed expert commission and its relative position as towards the existing Plebiscite Commission, I could get no answer.

(2) He said the French Government were getting anxious about the general situation in Turkey. Their agreement with Angora² was apparently not being confirmed; French prisoners still remained in Turkish hands; and the neces-

¹ See No. 592, n. 6, below.

² See Vol. XV, No. 69, n. 4.

sity for military measures of defence in Cilicia remains. To his enquiry how we regard the situation, I said that the position in Constantinople itself undoubtedly caused the British Government much anxiety; the position of our General in command³ of the small British force was a very delicate one and was rendered all the more difficult by the persistent refusal of the French Government to consent to that unity of command in this theatre which had been recognised as so essential in every part of the field during the war.⁴

(3) Monsieur de Saint-Aulaire, bringing together the admitted want of co-operation between French and British agents in the East and the doubts continuing to spread in French public opinion as to British co-operation with France in the west, made an eloquent appeal for a general understanding between the two countries which would set the *Entente* on a proper business footing. He felt sure that at present they were drifting apart and that, in the existing state of European politics, separation spelt disaster.

I said I cordially agreed with the view that more genuine co-operation, covering the whole field of foreign policy, ought to be assured, and that I hoped an occasion might be found when next our heads of governments met, to probe this question a little more closely. Monsieur de Saint-Aulaire was very emphatic in declaring that, whilst the chief danger to France lay in the possibility of a powerful Germany starting a war of revenge, the British Empire was mainly vulnerable in the East, where France had no important separate interests except as regards the maintenance of her position in Syria and the recovery of her financial and industrial interests in Turkey. He could not understand how the pursuit of these modest French aims in the East could in any way embarrass British policy, and he felt sure that all ideas of France pursuing a line that was in any way a hindrance to Great Britain was [*sic*] pure imagination. He, for his own part, would always advocate a close understanding with England, based on France giving every assistance she could to Great Britain in the East, whilst England stood firmly by France on the Rhine.⁵

E. A. C.

³ General Sir Charles Harington.

⁴ See Vol. XIII, Nos. 167, 188, 194, and Vol. XV, p. 589.

⁵ Lord Curzon minuted as follows: 'How about French intrigues in Persia, Palestine, Constantinople, indeed *passim* in the East? Does he speak with any real authority[?]'

No. 149

*M. Briand to Lord Hardinge (Paris)*¹

[C 11708/92/18]

Mon cher Ambassadeur,

PARIS, June 2, 1921

Vous avez bien voulu me faire part de la pénible impression que vous avez éprouvée à la lecture des Notes qui vous ont été adressées le 23² et le 30³ mai

¹ This note was transmitted to the Foreign Office under cover of Paris despatch No. 1644 of June 4, not printed. ² No. 106. ³ Not printed, see No. 142, n. 2.

par le Gouvernement français et dans lesquelles vous avez cru voir une critique à l'égard de l'attitude observée en Haute-Silésie par le Colonel Percival, qui a refusé d'entrer en négociations avec les insurgés Polonais.⁴

Il n'a jamais été dans ma pensée de rendre le Colonel Percival responsable du retard que l'on constate dans la pacification de la Haute-Silésie, et le Gouvernement français a toujours estimé, comme son représentant à Oppeln l'a formellement déclaré ainsi que vous vous plaisez à le reconnaître, qu'il ne pouvait être question de négocier avec Korfanty, encore moins de reconnaître son autorité.

Je n'ai pu, par contre, m'empêcher de regretter que le Colonel Percival ne se fût pas prêté à certaines conversations qui, sans avoir le caractère de négociations proprement dites et sans entraîner en rien de la part de la Commission une reconnaissance quelconque du fait accompli, paraissent de nature à faciliter la tâche des représentants alliés en Haute-Silésie. Cette opinion n'était pas d'ailleurs propre au Gouvernement français et des personnalités britanniques, hautement qualifiées, elles-mêmes, ont déploré les scrupules qui empêchaient la Commission de poursuivre certaines tractations qui paraissent s'imposer. La Commission de Haute-Silésie de son côté, en a ainsi jugé, puisqu'elle n'a pas hésité à mener des pourparlers non seulement avec Korfanty, mais avec le Général Hofer, dont l'attitude, en dépit de ses proclamations, constitue, au même titre que celle de Korfanty, un défi à l'autorité des Puissances alliées.

Je m'en voudrais d'ailleurs, au moment où le Colonel Percival, pour des raisons que je déplore, est obligé de quitter son poste, de poursuivre une discussion de ce genre: le Gouvernement français a estimé qu'à des moments critiques les scrupules hautement respectables qu'éprouvait le représentant britannique à causer avec les insurgés, étaient déplacés; aujourd'hui la situation est changée; la Commission est unanime à n'épargner, ni d'un côté ni de l'autre, aucun effort pour constituer entre les deux partis la zone neutre, que son prochain devoir sera d'élargir progressivement, grâce à l'arrivée des renforts britanniques. Nul plus que moi ne se félicite de cet accord, sans lequel il serait vain d'espérer de triompher des nombreuses difficultés auxquelles la Commission doit encore faire face.

Veuillez agréer, &c.,
A. BRIAND

⁴ See No. 144.

No. 150

Earl Curzon to Lord Hardinge (Paris)

No. 302 Telegraphic [C 11306/92/18]

FOREIGN OFFICE, *June 3, 1921, 3.25 p.m.*

Your telegram No. 349 (of May 31st. Silesia).¹

I see grave objection to accepting as they stand proposals of French Government, full text of which I have now received.² It is impossible for us

¹ No. 142.

² See No. 142, n. 6.

having just had to find unexpectedly and at considerable inconvenience a worthy successor to Colonel Percival, to send out, hot on his heels, a diplomatist, an engineer and a jurist, who would in effect supersede him.

As I pointed out in my telegram No. 294³ a meeting of the Supreme Council seems an essential preliminary to the appointment of an expert commission, if only because the functions of the new body and the exact relations with the Plebiscite Commission which it would be necessary to lay down if friction and confusion are to be avoided, could not otherwise be properly defined.

Meanwhile the immediate task is to suppress the insurrection, to disarm the rebels, to punish the ringleaders, and thus rehabilitate the Plebiscite Commission in such a way that it can do its duty. With this view I assume that the French Government agree, since Monsieur Briand's note of May 30th states that 'the first question to be settled is the re-establishment of the legal situation in Upper Silesia, as fixed by the treaty'.

But, while there is agreement between His Majesty's Government and the French Government as to the end to be attained, there is a most regrettable difference as to the means. I do not desire to enter into a detailed controversy at this stage, but there is one feature of the view taken by Monsieur Briand against which it is necessary to enter a strong protest. This is the assertion, repeated in his note of May 30th, that the principal obstacle to the simultaneous dissolution of the German and Polish bands has been the refusal of Colonel Percival to co-operate with his French colleague. Your Excellency has already refuted this allegation in your note of June 1st,⁴ the terms of which I entirely approve. It would be well that that note should now be reinforced by a further communication,⁵ pointing out that, in view of General le Rond's open admission in commission that he had no ground for complaint, these attempts to discredit Colonel Percival can not but be resented by His Majesty's Government. Your Excellency has all the material for rebutting the assumption underlying these attempts—namely that the German self-protective bands are on the same footing as the Polish rebels—and for demonstrating that [t]he whole credit for restraining the Germans belongs to the British section. Full use should be made of this material, and it should be made clear that His Majesty's Government are most unfavourably impressed by the animus shewn against Colonel Percival's honourable endeavours to hold General le Rond to his published declaration that he had not treated and would not treat with the insurgents.

In making a communication on these lines to the French Government you should indicate that the careful and sympathetic consideration which we have given to Monsieur Briand's proposals has been but ill-requited by the re-iteration of these insinuations against Colonel Percival. It is possible that some practical form may eventually be found for the suggested body of experts, but in the circumstances I prefer to postpone further discussion

³ No. 136.

⁴ See No. 144, n. 5.

⁵ This communication was made on June 5, and a copy was enclosed in Paris despatch No. 1660, not printed.

of that suggestion until the new representative of His Majesty's Government on the Plebiscite Commission has had time to examine the local situation and to report to me.

No. 151

Lord Hardinge (Paris) to Earl Curzon (Received June 4, 10.30 a.m.)

No. 362 Telegraphic: by bag [Confidential/General/199/3]

PARIS, June 3, 1921

The Conference of Ambassadors met this morning under the chairmanship of M. Jules Cambon, the Belgian Ambassador being also present.

1. Although nearly a week has elapsed no reply has been received from the Upper Silesian Commission to the telegram sent by the Conference of Ambassadors enquiring whether Korfanty's promise to surrender was in effect being carried out, and whether the proposal made by General de Marinis and Colonel Percival for the employment of Polish and German troops in certain areas still holds good (see my telegram No. 325).¹ In asking for information I pointed out how unsatisfactory this delay had been and that the reports from Upper Silesia clearly show that Korfanty's offer of surrender has not matured.

2. I likewise did not consider myself in a position to make any statement with regard to the manner in which I interpreted the resolution of the Conference of Ambassadors in favour of the establishment of a neutral zone as set forth in my telegram No. 357² of June 1st, since I have not yet received a reply from the British Acting High Commissioner at Oppeln on the subject.

3. On the other hand, I invited the Conference to come to decisions on the following points connected with Upper Silesia.

In accordance with the proposal contained in Your Lordship's despatch No. 1503,³ the Conference agreed to summon the Polish Government to hand over German hostages who had been carried off from Upper Silesia into Poland. M. Cambon stipulated, however, that as Polish hostages had also been carried off into Germany, a similar request should be addressed to the German Government. I agreed to this in principle, but it still remains for the French to produce a list of such alleged Polish hostages.

4. In accordance with the suggestion made in Your Lordship's telegram No. 292 of May 28th,⁴ I invited the Conference to rule that the allied Governments should not send or allow to be sent to Poland any war material under their control in Austria. The French demurred at first to such a decision

¹ Not printed. Cf., however, Paris telegram No. 335 (No. 137).

² No. 146.

³ Of May 31, not printed.

⁴ Of May 28, not printed. It stated: 'As French Government have concurred in representations at Warsaw to cease importing arms during present Silesian crisis, French representative on interallied military commission at Vienna ought to have definite instructions to cooperate with Colonel Gosset in stopping export.'

but it was finally agreed to give orders that all such exportation should be suspended until the 20th June.

5. I drew the attention of the Conference to the two telegrams from the Plebiscite Commission enclosed in my despatches Nos. 1400⁵ and 1602⁶ urging that discussion on the Upper Silesian question should not be made public. I pointed out that although the Commission first made their request on the 9th May, the substance of every discussion of the Conference of Ambassadors and those of the allied Governments has appeared in many and sometimes every Paris paper on the following day, and I suggested that if the allied Governments really intend to stop such premature publication, an assurance to this effect should be given to the Commission in answer to their telegrams. This was agreed to. . . .⁷

⁵ This despatch of May 13, not printed, enclosed a telegram of May 9 from the Commission requesting 'que rien ne soit ébruité des propositions, discussions ou décisions relatives au partage de la Haute-Silésie'.

⁶ The Commissioners' telegram of May 30 enclosed in Paris despatch No. 1602 of May 31, not printed, repeated the request made in the telegram of May 9 (see n. 5).

⁷ The sections here omitted referred to other matters.

No. 152

Earl Curzon to the French Ambassador

[C 11180/92/18]

FOREIGN OFFICE, June 3, 1921

Your Excellency,

I have the honour to acknowledge the receipt of Your Excellency's memorandum of the 29th ultimo¹ inviting His Majesty's Government to instruct their Ambassador at Berlin to join with his French colleague in drawing the serious attention of the German Government to the dangers involved in the 'triple blockade' said to be imposed by the German authorities on the disturbed districts of Upper Silesia.

2. His Majesty's Government are in entire agreement with the French Government in disapproving strongly of any action on the part of the German Government or of German subordinate authorities in the nature of a boycott of the disturbed area, and Lord D'Abernon has already, as the French Government are aware, repeatedly urged the German Government, on his own responsibility and in accordance with instructions sent to him, to restrain and refrain from all such proceedings.² I am disposed to think that the categorical assurances given to His Excellency that everything possible would be done to put this advice into practice have on the whole been satisfactorily observed. If conditions have been attached by the Reichsbank to the despatch of money, that can hardly be regarded as altogether unreasonable. If the German authorities have refused to run trains (and they have been persuaded to run a certain number), some allowance must be made for their fear of

¹ Not printed.

² Cf. Nos. 101 and 119.

molestation at the hands of the insurgents. The information in the possession of His Majesty's Government indicates that, although there have doubtless been instances of obstruction, it is from the Polish insurgents rather than from the German officials that the difficulty of securing the passage of trains arises: even allied guards are not respected, and safe-conducts are not honoured. It would seem unreasonable to expect that by any action of the German authorities in Berlin German engine-drivers should be compelled to take trains into the insurgent area, without being assured of a protection which the Plebiscite Commission are not at present in a position to guarantee, but which the arrival of military reinforcements will, I trust, presently make possible. In general, it may be expected that, when the commission can protect those who have not disputed their authority, the abuses which His Majesty's Government reprobate equally with the French Government will tend to disappear.

3. The German Government, on the other hand, have made to the cause of law and order certain positive contributions which it would not be just to forget. They have closed their frontier by declaring martial law and reinforcing the guard. They are effectively preventing the influx of undesirable volunteers, and have ejected some who had arrived.³ And the German defensive bands in Upper Silesia, which are mainly local levies commanded by an Upper Silesian, have not interfered with the allied Commission, whose authority they have respected in that part of the country where they are operating.

4. In these circumstances I doubt whether the situation calls for any special or any new instructions to Lord D'Abernon. But the French Government may rest assured that His Excellency will continue to exercise, in consultation with his French colleague, that pressure on the German Government which has hitherto proved so effective in restraining them from provocative action.

I have, &c.,

CURZON OF KEDLESTON

³ Berlin telegram No. 270 of May 29, not printed, contained a report from Major Breen stating that the Schmidt Corps of 400, which had arrived uninvited from Neustadt, had been expelled by General Hoefler.

No. 153

Colonel Hawker (Oppeln) to Earl Curzon (Received June 4, 6.30 p.m.)

No. 172 Telegraphic [C 11650/92/18]

OPPELN, June 4, 1921, 2.10 p.m.

In commission yesterday General le Rond suggested that a battalion should occupy Leschnitz which is at present occupied by self-protection forces.

I stated that I could not agree to this as it would not be in accordance with policy indicated, that intervening area to be occupied by allied troops should be taken over from insurgents rather than from self-protection forces.

General le Rond replied that this policy must be over-ruled by military necessity which required occupation of Leschnitz. I raised objection that, even against purely military point of view I could not allow British troops to be exposed to risks contingent upon an occupation of line held (? by) self-protection forces.

General le Rond replied that Politische [sic] Leitung deputation¹ had stated that they would provide quarters for British battalion. He also asserted that General Hoeffler had not withdrawn his men when asked to do so and stated that if General Hoeffler did not withdraw his forces he would order withdrawal of French garrison from industrial area.

I pointed out that it was not true that General Hoeffler had been officially asked to withdraw his forces and that in any case suggestion that French garrison should be withdrawn from industrial area by way of retaliation would go beyond all reasonable limits.

It is at present proposed that British troops should occupy a line between insurgent and self-protection forces south and east of Leschnitz. Such a measure will finally prevent counter action by latter against former. There is reason to think that General Hoeffler will only be induced to co-operate on the understanding that duty of restoring authority of commission in area occupied by insurgents is actually and energetically undertaken by commission.

Repeated to Berlin, Paris and Warsaw.

¹ The Politische Leitung was a German Committee of Twelve representing the different political parties and trades unions in Upper Silesia. It was constituted shortly after the formation of the German self-protection forces (May 12), and acted as a liaison between the German forces and the civil population, and between the Inter-Allied Commission and the German forces.

No. 154

Sir H. Stuart¹ (Oppeln) to Earl Curzon (Received June 6, 10.10 a.m.)

No. 173 Telegraphic [C 11651/92/18]

OPPELN, June 4, 1921, 12.20 p.m.

I arrived this morning and was received by President and Italian Commissioner and the principal allied officers at Oppeln. Later I attended a meeting of the Commission at which General le Rond informed us that Germans in breach of promise given on May 21st not to advance beyond a line then held, had attacked and pushed back Poles and were in contact with French troops.

General le Rond explained that this advance would necessitate the withdrawal of French garrison of towns in industrial area and their concentration around Gletsewitz [Gleiwitz]. To avoid this withdrawal which might endanger the lives of Germans in industrial area, Commission decided to call

¹ See No. 141, n. 1

upon General Hoeffler to retire to line previously held by him, this retirement to begin within 12 hours of the receipt of our order. It was added that failure to comply with this order would necessitate above-mentioned withdrawal of French troops. He was however informed that the territory evacuated by him would be held by allied troops and not made over again to insurgents.

Herr von Mol[t]ke was informed of our order, and late this evening he appeared personally and protested strongly against what he called this menace to lives of Germans in industrial area. Commission repudiated any such intention and explained that concentration of French troops was a military necessity, to avoid which we had given General Hoeffler an opportunity of restoring the situation.

Repeated to Paris, Berlin and Warsaw.

No. 155

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 6, 4 p.m.)

No. 174 Telegraphic [C 11780/92/18]

Urgent

OPPELN, June 5, 1921, 6 p.m.

Commission received yesterday, through intermediary of an inter-allied committee appointed *ad hoc* on June 3rd, a fresh offer from insurgents' leaders to withdraw to an extent sufficient to permit of constitution of a neutral zone.

Insurgent command pledges itself:

1. To permit allied troops to enter and occupy positions in zone held by insurgents and to hand over to them such localities as Commission may prescribe.
2. To surrender a strip stretching back six to ten kilometres from their present line.
3. To withdraw their troops from this strip as soon as occupied by allied troops.
4. To refrain from any systematic destruction in this strip of territory and removal of all mines laid.

Offer is subject to following conditions:

- (a) That German forces and police shall not cross present front.
- (b) That local police be formed under allied control in area evacuated.
- (c) That Polish population in that area shall be under allied protection.
- (d) Due notice to be given in writing of each movement of withdrawal required by Commission.

Commission decided last night to refer question as to creating of neutral zone to three allied military commanders for consideration and report upon its feasibility from military point of view and military measures to be adopted.

Repeated to Warsaw, Paris and Berlin.

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 6, 12.30 p.m.)

No. 175 Telegraphic [C 11750/92/18]

OPPELN, June 5, 1921, 7.30 p.m.

My telegram No. 125 to Berlin.¹

General Hoeffler has not replied to Commission's communication and has not only not withdrawn but has advanced and the latest information is that his forces now hold a line running from Birawa on Oder south of Cosel along stream through Jacobswald towards Kieferstadt. General le Rond at first said that this made it absolutely imperative to withdraw French garrisons from industrial towns² but eventually agreed to leave them on General Heneker consenting to supply three British battalions to join French and Italian troops in holding line Oppeln-Stubendorf-Gross Strehlitz-Ujest Klostau-Kieferstadt together with Gleiwitz. It is confidently hoped that this will stop German advance without actual fighting and I have just been told by General Heneker that General Gratier has informed him that allied troops are not to fire unless attacked by Germans. General Hoeffler has requested General Heneker to see him at the latter's headquarters to-morrow morning and this interview may possibly lead to a satisfactory clearing up of situation. I am telegraphing to Ambassador at Berlin to urge strongly on German Government imperative necessity for using all its influence with General Hoeffler to stop his advance and withdraw to his original line, as his continued advance will endanger safety of Germans in industrial area and probably lead to destruction of mines.³

Le Rond and Marinis are telegraphing to their Ambassadors in the same sense. Le Rond says that he is absolutely assured that continued German advance will lead to massacre and destruction and complete anarchy in industrial area. I have not enough evidence to justify adoption of this conclusion but there is certainly a risk of murder and sabotage of mines and factories.

Neither Heneker nor I regard measures described above as completely satisfactory but with small allied forces available it is difficult to suggest anything better and proposals may at least stabilize [*sic*] (? situation) and give time.

Repeated to Paris, Berlin and Warsaw.

¹ Not printed. This telegram of June 5, which was repeated as Oppeln No. 176 to the Foreign Office, asked Lord D'Abernon to 'urge upon German Government the urgent necessity of restraining General Hoeffler, reminding Government of General von Seeckt's promise to General Heneker' (cf. No. 119). Sir H. Stuart also suggested that Lord D'Abernon might 'point out that this advance with its possibility of collision with allied troops may lead to French or allied action against Ruhr'.

² See No. 154.

³ The reference is to Oppeln telegram No. 125 to Berlin; see n. 1.

No. 157

Earl Curzon to Lord D'Abernon (Berlin)

No. 144 Telegraphic [C 11652/92/18]

FOREIGN OFFICE, *June 6, 1921, 5.50 p.m.*

Upper Silesia. Sir H. Stuart's telegram No. 176.¹

Your Excellency should, either jointly with your French and Italian colleagues or if necessary acting alone, impress upon German Government importance of their using all their authority and influence to get General Hoeffler to carry out unanimous recommendations of allied Commissioners, as best calculated to promote restoration of order and avoid grave risk to the German mines and factories.

Repeated to Oppeln No. 72 and Paris No. 303.

¹ See No. 156, n. 1.

No. 158

Earl Curzon to Lord Hardinge (Paris)

No. 304 Telegraphic [C 11593/92/18]

FOREIGN OFFICE, *June 6, 1921, 11 p.m.*

Your telegram No. 361¹ (of June 3rd. Silesia).

I agree that it is desirable publicly to discourage these embarrassing German advances and I have sent instructions to His Majesty's Ambassador at Berlin accordingly.²

But it is a corollary of this action that, the military situation being about to undergo a complete change by the arrival of British troops, French Commissioner in Silesia should have such instructions as will permit him to authorise active cooperation with British military authorities in applying force unrelentingly to the insurgents, whenever such action is judged practicable from the purely military point of view, and whenever there is no other means of re-establishing authority of the allied Commission. Impression that General le Rond's hands have been tied in this respect by general instructions from Paris must be dissipated.

Please communicate to press substance of my telegram to Berlin No. 146³ and inform French Government.

You should at the same time urge them to issue instructions in above sense and to make an unambiguous declaration that they have done so.⁴

Addressed to Paris No. 304. Repeated to Berlin No. 147, Warsaw No. 143, Oppeln No. 75 and Rome No. 246.

¹ Not printed. This reported an interview given by General Hoefler and published in the Paris edition of the *New York Herald* on June 2 in which, after stating German point of view, he said that his hands hoped 'to co-operate with British troops in re-establishing allies' authority'.

² In Foreign Office telegram No. 146 of June 6, not printed.

³ See n. 2.

⁴ See No. 168 below.

No. 159

Earl Curzon to Sir G. Buchanan (Rome)

No. 245 Telegraphic [C 11593/92/18]

FOREIGN OFFICE, *June 6, 1921, 11 p.m.*

My telegram to Paris No. 304 (of June 6th: Silesia.)¹

Please ask Italian Government to make declaration that their military forces will co-operate closely and cordially with ours, and that their commanders are authorised to continue to use force if occasion demands.

Addressed to Rome No. 245.

Repeated to Paris No. 306, Berlin No. 148, Warsaw No. 144, and Oppeln No. 76.

¹ No. 158.

No. 160

Lord Hardinge (Paris) to Earl Curzon (Received June 7, 3.45 p.m.)

No. 365 Telegraphic [C 11854/92/18]

PARIS, *June 7, 1921, 1.20 p.m.*

The President of the Council has sent me a reply to my official note of June 5th¹ in the form of a private letter.²

It contains nothing new and is of a polemical nature. It throws responsibility on Germans for disorder prevailing in Upper Silesia and mentions in an appreciative sense Sir Harold Stuart's attitude in agreeing to issue of an ultimatum to German general.

It closes with an eulogy of role played by French troops to whose presence, it is said, is due the fact that insurrection has not spread and that a general conflict has been prevented.

A copy of letter goes by bag tonight.

¹ See No. 150, n. 5.

² Not printed. The note was transmitted to the Foreign Office under cover of Paris despatch No. 1678 of June 7.

No. 161

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 8, 9.55 a.m.)

No. 178 Telegraphic [C 11855/92/18]

OPPELN, *June 7, 1921, 5.40 p.m.*

General Heneker yesterday received a visit from General Hoeffler who gave a promise that his forces would not move from the line that they now occupied. At point mentioned in my telegram No. 175¹ this line is not so far forward as there stated but runs from Oder eastward along south bank of the

¹ No. 156.

river Klodnitz to a point opposite Slawentzitz where it crosses stream and bends north-westward to Dollna.

This promise that German forces will not move forward is satisfactory, but I feel in addition to containing Germans who have not interfered with administration of Commission we should also take action against Poles who are defying our authority.

Accordingly yesterday morning I placed before Commission a note which was discussed at a sitting last night. I advocated that same energy which has been so promptly adopted against German self-defence forces should be shown in attacking Polish rebels. I asked that allied commanding generals should be instructed immediately to consider feasibility of a rapid advance in fullest possible strength along the line leading into industrial area.

General le Rond was most unwilling to adopt any such course, and told me that he could not be a party to any orders to use force against insurgents, except in repelling attacks by them, without reference to his Government. As General de Marinis said he would be obliged to make a similar reference and discussion was being protracted to a late hour it was decided on my suggestion to adjourn further consideration until today. I shall press again this morning that Commission should record a decision that it is urgently necessary to use allied forces in such a manner as generals commanding may consider proper for suppression of disorder and restoration of authority of Commission.

This will no doubt have to be subject to reservation that action cannot be taken until matter has been referred to French and Italian Governments.

Heneker is in entire agreement with me regarding necessity and feasibility of prompt action along lines I have already . . . ²

Repeated to Paris, Berlin and Warsaw.

² The text is here uncertain.

No. 162

Earl Curzon to Sir H. Stuart (Oppeln)

No. 77 Telegraphic [C 11780/92/18]

FOREIGN OFFICE, *June 7, 1921, 6 p.m.*

Your telegram No. 174 (of June 5th).¹

I entirely approve reference to allied military commanders of question of neutral zone. Judging from telegram² received by War Office from General Heneker, it is highly desirable that all military dispositions should in future be made by Commission on the responsible advice of the military commanders, whilst interference of individual commissioners with orders given by the military commanders is to be deprecated.

¹ No. 155.

² This word read 'telegrams' in the original draft.

German Government have protested against 12 hours ultimatum recently sent to General Hoeffler³ and on the reports before us it is difficult to understand how that ultimatum could have been justified on military grounds.⁴

Addressed to Oppeln No. 77, repeated to Paris No. 307, Berlin No. 150.

³ See No. 154. The protest was contained in a note of June 6 from the German Ambassador to Lord Curzon, not printed.

⁴ In a minute of June 6, Sir E. Crowe had stated: 'The ultimatum certainly appears to have been an extraordinary measure to take. The German ambassador came to speak to me about it today. He pointed out that, in the first place, to ask the German local force to withdraw from a region without any guarantee that the region would be effectively occupied by allied troops—and no such guarantee is forthcoming—is to ask them to see their fellow countrymen killed and their property destroyed by the Polish population under the very eyes of the German defence corps.'

No. 163

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 8, 1 p.m.)

No. 179 Telegraphic [C 11917/92/18]

OPPELN, June 7, 1921, 8.30 p.m.

Soon after arrival here I found abundant evidence of General le Rond exercising authority over General Gratier in purely military matters and the former admitted to me on Sunday¹ that he held supreme authority over French troops. In my note mentioned in my immediately preceding telegram² I pointed out that this was an anomalous and undesirable position and that in my opinion any orders given to allied Commanders should be given by Commission as a whole. He replied that he gave no detailed orders whatever regarding the movement of troops and such matters. . . .³ General Gratier on Saturday, in a burst of confidence complained to General Heneker of the constant detailed interference in his military command by le Rond . . .,³ as French General is in supreme command of allied troops and it is obvious that if he is virtually, as he is, under the command of le Rond, the latter might exercise very large powers over the head of [the] commission although that body occupies the position of Civil Government of the country. I doubt that any improvement can be effected while le Rond remains the French representative and personally I should be very glad to see his place taken by a civilian. Such a change in personnel moreover might be used as an argument against the authority of commission of experts, which I deprecate as being bound to lead to greater confusion of a situation already much confused. A newly constituted commission would either endeavour to come to a unanimous decision on disposal of Upper Silesia, or alternatively could make such further (? enquiries) as Supreme Council desire and supply such (? departmental) information as it may require.

¹ i.e. June 5.

² No. 161.

³ The text is here uncertain.

Further arguments for the removal of General le Rond are to be found in position of impotence to which, under his direction, Plebiscite Commission has been reduced.⁴

Repeated to Paris, Berlin and Warsaw.

⁴ Lord Curzon commented: 'If the French go on obstructing we shall have I think to press for the recall of General Lerond and for the Supreme Council to insist upon it.'

No. 164

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 8, 2.55 p.m.)

No. 180 Telegraphic [C 11925/92/18]

Urgent

OPPELN, June 7, 1921, 10.40 p.m.

My telegram No. 178.¹

I succeeded in getting Commission to agree to instruct Allied Commanders to report to us at once what measures should be employed for establishing authority of Commission throughout plebiscite area, if plan approved by Conference of Ambassadors of an intermediary zone referred to in their telegram of May 29th² should not be found by generals to be practicable. I asked then that my colleagues should obtain from their governments freedom for use of such forces by French and Italian troops as may be necessary to disperse insurgents and restore order. Marinis implied that Italian troops could act freely but this is doubtful, and le Rond fenced with my repeated enquiries and it is clear that his hands are tied. It is therefore essential that vigorous representations on lines mentioned in your telegram No. 75 of June 6th to Paris³ should be pressed until satisfaction is obtained.

Heneker assures me that intermediary zone solution is impracticable with small force available. Moreover it will be slow in operation and it is essential that present acute tension be relieved without delay. I am convinced that really vigorous action by allied forces will be successful and think that risk of really serious sabotage in industrial area has been exaggerated.

In any case I will accept risk, for, if allied troops do not move quickly Germans will do so and their advance will involve the same risk while we stand ashamed and discredited. To ensure success Allied Commanders must have a free hand in respect of military action to be taken.

Repeated to Paris, Berlin and Warsaw.

¹ No. 161.

² Not printed. The filed copy of this telegram transmitted under cover of Paris despatch No. 1578 of May 29 to the Foreign Office is dated May 28.

³ The telegram referred to was No. 304 to Paris, repeated as No. 75 to Oppeln, i.e. No. 158.

No. 165

Lord D'Abernon (Berlin) to Earl Curzon (Received June 8, 5 p.m.)

No. 294 Telegraphic [C 11928/92/18]

Upper Silesia.

BERLIN, June 8, 1921, 1.50 p.m.

I have seen my French colleague and my Italian colleague, who are today making identic communication to German Government in the sense of your telegram No. 144.¹

When I gave Your Lordship's message to Herr von Haniel, he showed me copies of telegrams already sent by German Government insisting earnestly and urgently on danger of any advance.

Herr von Haniel stated further that meeting between General Heneker and General Hoeffler had been satisfactory.²

Repeated to Paris, Warsaw, Oppeln and Rome.

¹ No. 157.

² Cf. No. 161.

No. 166

Earl Curzon to Lord Hardinge (Paris)

No. 308 Telegraphic [C 11855/92/18]

Immediate

FOREIGN OFFICE, June 8, 1921, 5 p.m.

Sir H. Stuart's telegram No. 178 (of June 7th. Silesia).¹

Please inform French Government that in the opinion of the British Commissioner prompt military action against the insurgents is necessary if the Commission is to re-assert its authority, and that General Heneker considers such action to be feasible.

You should point out that this fact completely changes the situation, which has hitherto been dominated by the alleged impossibility of using force decisively. The French Government have admitted that the first thing to be done is to restore the reign of law. General le Rond's present attitude confirms impression that he is precluded from acting or co-operating for this purpose and that his authority is definitely limited to the purely defensive role of resisting Polish attacks on French troops. It is essential that this limitation on his freedom of action in support of law and order be unequivocally withdrawn. His Majesty's Government must therefore press that instructions be sent without delay to General le Rond in the sense proposed in my telegram No. 304 (of June 6th).² A continuance of the prevarication and uncertainty which has hitherto prevailed, can only leave all parties concerned in doubt as to the honesty of the allied Governments, and will, besides, place the British Commissioner and the British troops in an impossible position.

I desire to learn the result of this communication with the least possible delay.

Repeated to Berlin No. 152, Rome No. 251, Oppeln No. 79 and Warsaw No. 146.

¹ No. 161.

² No. 158.

Lord Hardinge (Paris) to Earl Curzon (Received June 9, 10 p.m.)

No. 368 Telegraphic [C 12012/92/18]

Very urgent. Secret

PARIS, June 9, 1921, 5.50 p.m.

The President sent me an urgent message this morning asking me to come and see him. I went at once.

He told me that he had sent for me because he feared situation in Upper Silesia was becoming serious and he wished to speak to me with utmost frankness. Two facts had occurred. In first place, a French detachment had been attacked by Germans armed with machine guns. Fifteen French soldiers had been taken prisoners and three wounded of which two were in a serious condition. A message sent by French General to German General demanding surrender of prisoners was met by a refusal unless request were made through a British officer. Later this was done and prisoners were returned.¹

The second fact was note which I had addressed to French Government proposing that active operations should be taken by allied troops against Polish insurgents.² The President remarked that this demand appeared to be inopportune at the present moment and inconsistent with principles of fairness and equality and it would be impossible to carry them out at a moment when Germans were attacking French troops.

I at once told President that facts that he had related to me of attack by Germans on French troops were new to me and that in consequence the situation had in my opinion changed since date³ upon which my note had been . . .⁴ upon instructions of my Government. At that time the German forces were under control and showing considerable restraint which was not the case with Polish insurgents.

I expressed my conviction that it was wish and intention of His Majesty's Government that allied troops should not be used exclusively against Poles but against any forces, whether Polish or German, who were disturbers of the peace, since aim and policy of His Majesty's Government were to restore order and to repress disorder as rapidly as possible, and by united action of allied troops. President admitted force of this point of view, but remarked that when this incident of German attack became know[n], which he hoped would not be the case until incident had been quite satisfactorily settled, he feared that public opinion would resent greatly any action taken by allied troops against Poles. He remarked that Poland and Poles were friends of France. He realized that they were not as essential to England as friends as they were to France, the necessity for their friendship being due to their

¹ According to Sir H. Stuart's telegram No. 191 of June 12, not printed, it transpired that the Germans had mistaken the French for Poles in an incident at (?) Rosnionkau on June 6-7.

² See No. 168, n. 1, below.

³ i.e. June 7. See No. 168, n. 1, below.

⁴ The text is here uncertain.

position on Eastern frontier of Germany, and he was therefore very anxious that His Majesty's Government and French Government should come to terms as rapidly as possible in order to arrive at a solution of Silesian question.

I told President that my personal opinion, which I ventured to give on my own initiative and without any sort of instructions from Your Lordship, was that trouble in Upper Silesia was largely due to ultra Polish attitude of General le Rond.

I mentioned that since Sir H. Stuart had been in Oppeln, I had seen a telegram⁵ in which he remarked how undesirable it was that General le Rond should deliver orders to Commandant of French troops. Such orders did not emanate from Commission but were given in his own name.

I expressed the view that it would be a very good thing if, just as we had changed our High Commissioner, the other High Commissioners were also changed and a civilian sent in place of General le Rond. In such an event it appeared likely that Commissioners might be able to make a definite proposal for solution of Silesian question which it would be quite hopeless to expect so long as French and Italian High Commissioners remained the same as now. The President at once said that it would be quite impossible to accept such a proposal if made by British Government, to which I interjected that it was not made by British Government at present, and that I had merely made a personal suggestion with a view to alleviate local situation and I still believed that a change would be to everybody's advantage. Monsieur Millerand denied this and said that even Colonel Percival in his farewell interview with General le Rond, had expressed to latter his very warm appreciation of attitude which he had assumed towards other members of Commission during the whole time they had served together. If this is so, it strikes me as unfortunate, but President made it quite clear they have no intention of changing General le Rond, and stated that if such a move were made, even by French Government on its own initiative, it would be at once attributed to His Majesty's Government and would raise a storm of anger throughout the country.

I told him that I thought this unfortunate especially as even French General in command of troops had complained privately to Sir H. Stuart of General le Rond's interference.⁶ This, I said, I gave as private and confidential information. Finally President begged me to do all in my power to impress upon Your Lordship and Prime Minister the urgent necessity of France and England working together in this Silesian question and of arriving at some solution in early future which will make it clear to all the world that the two countries are absolutely united in their foreign policy in Europe. I told President that I would not fail to communicate to Your Lordship as faith-

⁵ No. 163.

⁶ In his telegram No. 156 of June 12 to Paris, not printed, Sir H. Stuart corrected this statement: the complaint was made to General Heneker and not to Sir H. Stuart. (See No. 163.)

fully as possible all that he had said to me. As I was leaving the room, he remarked that we ought to be grateful for courage shown by Monsicur Briand in the Chamber and that we should do what we could in return to make his position as easy as possible.⁷

⁷ In the course of a minute dated June 10 Lord Curzon commented as follows: 'I regret the interview between M. Millerand and Lord Hardinge because the former took up an impossible position, while the latter—on the two points raised—gave the wrong reply.' Sir E. Crowe had previously commented: 'I never thought it was prudent to ask for General Le Rond's recall. This is a kind of request which no government likes to comply with. I understand the Secretary of State's plan was to approach this question at the next meeting of the Supreme Council through the avenue of the French proposal for setting up a fresh body of experts to advise the governments as to a solution of the territorial problem.' (See No. 163, n. 4.)

No. 168

Lord Hardinge (Paris) to Earl Curzon (Received June 10, 9.55 a.m.)

No. 369 Telegraphic [C 12044/92/18]

PARIS, June 9, 1921, 8.50 p.m.

I have just received reply of French Government to note which I addressed to them in accordance with instructions contained in your telegram No. 304,¹ regarding use of French troops against Polish insurgents in Upper Silesia.

The French Government state that General le Rond has instructions to maintain close cooperation between French, British and Italian forces for re-establishment and maintenance of law and order in Upper Silesia. No restrictions except those due to military considerations have been placed in the way of use of French troops for this purpose. At present, however, Commission is working at scheme for a neutral zone as approved by Conference of Ambassadors. This scheme to which Poles have agreed to submit has been momentarily delayed by General Hoeffler's (? offensive), but latest news from Oppeln seems to show that neutral zone is now being established.² Once established, the Commission will have then to proceed with restoration of law and order, if necessary by force, should either Germans or Poles refuse to submit.

The French Government recognise that Poles were first offenders, but argue that protest of German Government against recent ultimatum addressed to General Hoeffler was unjustified.

In view of this reply and more especially in view of my conversation (? this morning) with Monsieur Millerand as reported in my telegram No. 368,³ I am suspending a note to French Government which I had prepared on

¹ No. 158. Lord Hardinge's note of June 7 and M. Briand's reply of June 8, copies of which were transmitted to Lord Curzon under cover of Paris despatch No. 1713 of June 10, are not here printed.

² See No. 161.

³ No. 167.

receipt of Your Lordship's telegram No. 308,⁴ in which I used arguments contained in Sir H. Stuart's telegrams 178⁵ and 180⁶ and in my telegram to Your Lordship No. 357.⁷

Repeated to Oppeln.

⁴ No. 166.

⁵ No. 161.

⁶ No. 164.

⁷ No. 146. In his telegram No. 371 of June 10, not printed, Lord Hardinge said that on further consideration of M. Briand's note of June 8 (see n. 1) he had decided 'to address a further communication to the French Government on the subject of the use of French troops in Upper Silesia, so that there may be no misunderstanding as to the views held by His Majesty's Government'. For this note see No. 170 below.

No. 169

Sir G. Buchanan (Rome) to Earl Curzon (Received June 11, 10.20 p.m.)

No. 223 Telegraphic [C 12135/92/18]

ROME, June 10, 1921, 7.40 p.m.

As Minister for Foreign Affairs could not see me yesterday, I sent him in private letter an *aide-mémoire* embodying substance of Your Lordship's telegrams Nos. 304 and 308 to Paris¹ and in accordance with instructions in your telegrams Nos. 245² and 250.³ This morning His Excellency read to me telegram that he was addressing to General de Marinis in which after referring to communication which Your Lordship had charged me to make to him, he instructed him to maintain most cordial collaboration with British commander and authorised him to employ force should events render it necessary. His Excellency at the same time reminded him that Italian troops in Upper Silesia were not there to wage war, and that only in event of its being absolutely necessary should recourse be had to force. His Excellency concluded by expressing personal opinion that adoption of proposal of His Majesty's Government that Germans and Poles should be allowed to occupy undisputed districts that were to be assigned to them, would greatly ease the situation.

On my asking him to make a declaration with regard to close co-operation between Italian troops and ours, His Excellency said he would prefer to leave it to General de Marinis to make whatever statement he thought best on the subject.

¹ Nos. 158 and 166 respectively.

² No. 159.

³ Of June 8, not printed.

No. 170

Note from Lord Hardinge (Paris) to M. Briand¹

[C 12161/92/18]

PARIS, June 11, 1921

Monsieur le Président du Conseil,

I have the honour to acknowledge the receipt of the Note which Your Excellency was so good as to address to me on the 8th instant² regarding the

¹ Copy transmitted to the Foreign Office under cover of Paris despatch No. 1715 of June 11.

² In reply to Lord Hardinge's note of June 7 (see No. 168, n. 1).

use of the French troops in Upper Silesia against the Polish insurgents. His Majesty's Government to whom I at once communicated Your Excellency's Note will receive with satisfaction the assurance that General Lerond has instructions to maintain close co-operation between the French, British and Italian forces for the re-establishment of law and order in Upper Silesia and that no restrictions have been placed in the way of the use of French troops for this purpose.

I gather however from Your Excellency's reference to the attempt which has recently been made by the Plebiscite Commission to establish a neutral zone between the German and British forces, that the French Government do not consider that pending the establishment of this zone, force need be used against the Polish insurgents. It is no doubt this view which has weighed with General Lerond during the recent discussions of the Commission and has thus given rise to the unfortunate impression that he had not full liberty to agree on his own authority to the use of French troops against the Polish insurgents.

To dispel therefore any further misunderstandings I think it desirable that I should explain in somewhat greater detail to Your Excellency the situation as it presents itself at the present moment to His Majesty's Government.

Reports which have been received from the British Commissioner in Upper Silesia since the despatch of my previous note to Your Excellency show that in the opinion of Sir H. Stuart prompt military action against the Polish insurgents is necessary if the Commission is to restore its authority, and that General Heneker considers that such action is feasible at the present time.

I do not lose sight of the fact that the policy of establishing a neutral zone between the German and Polish forces is still under consideration, but the establishment of such a zone is but a provisional measure and was only approved by the Conference of Ambassadors on the 28th May on the assumption that it was to be carried out in connection with the unconditional offer which had just been made by Korfanty for the withdrawal of the Polish insurgents.³ This offer has never matured and the Poles continue, in spite of their repeated proposals to surrender, to hold their ground and to defy the authority of the Commission with impunity. The original intention underlying the scheme of a neutral zone can therefore no longer be said to exist, but even as a compromise, and assuming that the Allied Governments are prepared to compromise on this vital question, General Heneker considers that the scheme is impracticable owing to the smallness of the Allied forces available. Moreover, its execution is bound to require considerable time whereas it is essential that the present acute tension should be relieved without delay. His Majesty's Government cannot therefore agree to allow the proposed establishment in the future of a neutral zone to stand in the way of prompt and vigorous action against the disturbers of the peace at the present time, whether Polish or German.

As Your Excellency is aware General Hoeffler has given an undertaking on behalf of the German Self Protection forces that the latter will not move

³ Cf. Nos. 129 and 155.

from the line which they now occupy. The action taken against the German forces has thus had a satisfactory result, for the recent highly regrettable incident at Gross-Strehlitz, when an attack was made on French troops has been shown to have been entirely without premeditation⁴ and thus in no way affects the undertaking given by General Hoeffler. Now in the opinion of His Majesty's Government it is out of the question that the Commission should confine itself to taking action against the German forces who after all have not interfered with the administration of the Commission, and should abstain from proceeding against the Polish insurgents, who have been, and still are, defying the authority of the Commission. Sir H. Stuart accordingly proposed on the 6th instant to the Commission that the same energy which has been so promptly adopted against the German Self Protection forces should be shown in dealing with the Polish rebels.⁵ In his opinion really vigorous action against the Polish insurgents would be quickly successful. He considers the risk of sabotage in the industrial area has been exaggerated, and that in any case if the Allied troops do not move quickly it will be impossible in the long run to prevent the German forces from doing so and their advance will involve the same risk, while the Allied forces will stand by ashamed and discredited. In these circumstances he asked that the Allied Commanding Generals should be instructed immediately to consider the advisability of a rapid advance in the fullest possible strength along the line leading into the industrial area. It appears that General Lerond was most unwilling to adopt any such course and finally informed the Commission that he could not be a party to any orders to use force against the insurgents, except in repelling attacks by them, without reference to his Government.

His Majesty's Government is well aware that hitherto the situation has been dominated by the alleged impossibility of using force decisively against the disturbers of the peace, but the arrival of the British troops and the definite opinion expressed by Sir H. Stuart and General Heneker has completely altered the situation. The French Government have admitted that the first thing to be done is to restore the reign of law in Upper Silesia and that they will be prepared when necessary to use force to attain this end. In order, however, that the Commission and their military advisers may have complete freedom in deciding if and when the moment has come to apply force, it is essential that it should be explained in unequivocal terms to General Lerond that he is mistaken in thinking that the French Government have placed any limitation on his freedom of action in regard to the use of French troops against forces defying the authority of the Commission, of whatever nationality they may be. A continuance of the uncertainty which has hitherto prevailed on this subject can only leave all parties concerned in doubt as to the honesty of the Allied Governments, and will besides place the British Commission and the British troops in an impossible position.

I earnestly trust therefore that your Excellency will see your way to issue further instructions to General Lerond without delay so as to make quite clear that he has full authority to use French troops as the Commission may

⁴ See No. 167, n. 1.

⁵ No. 161.

decide, irrespective of the nationality of the forces against which they may have to proceed. The French Government will thereby complete and ensure the much desired co-operation between the Allied Commissioners and the Allied Military Commanders in their joint efforts to restore law and order which has been so gravely violated on every side.

I have, &c.,

HARDINGE OF PENSHURST

No. 171

Mr. Max Muller (Warsaw) to Earl Curzon (Received June 12, 3.55 p.m.)
No. 305 Telegraphic [C 12150/92/18]

WARSAW, June 11, 1921, 7.38 p.m.

Following sent to Oppeln to-day No. 68.

Your telegram 123 of June 10th.¹

I had anticipated your request as immediately on receipt of Lord D'Abernon's telegram to Foreign Office No. 281² I suggested privately to Acting Minister for Foreign Affairs³ that Polish Government should invite the three allied Legations to send officers from their respective (? Military) Missions to inspect the frontier and report on the efficacy of measures taken to close it.

I explained reasons underlying my suggestion and advantages of Polish Government requesting such inspection of its own free will.

Yesterday French and Italian Ministers and I received note stating that Minister of War had designated high Polish officer to report on execution of the measures for closing the frontier and inviting us to appoint officers to accompany him.

My colleagues and I decided that this proposal was unacceptable as our officers would not be free to go where they liked and inspection might be turned into a farce while joint report might be used against us if we made further complaints in future.

Acting on behalf of my colleagues I have informed Minister for Foreign Affairs⁴ that we cannot accept their proposal as report furnished under such conditions would not carry conviction, and I have repeated the (? suggestion) for inspection of frontier by allied officers who shall receive every assistance

¹ Not printed. This had informed Mr. Max Muller that 'numerous military intelligence reports show high probability of Polish frontier being open for passage of troops and military supplies' and suggested that he should arrange for one or more British officers to be sent to the frontier to inspect and report.

² The reference is probably to Berlin telegram No. 287 of June 4, not printed, in which Lord D'Abernon stated: 'It would greatly facilitate pressure on German Government to keep frontier closed if report by British officer was available to the effect that the Polish frontier is also closed.'

³ M. Skirmunt.

⁴ The appointment of M. Skirmunt as Polish Minister for Foreign Affairs was announced on June 11, following the resignation of Prince Sapieha.

from Polish military authorities to carry out investigations as they think best.

In order to maintain unity of front here I prefer inspection by French, Italian, and British officers to one by British alone.

We already have one officer attached to General Szepticki, and General Carton de Wiart could therefore only spare one officer for frontier inspection. We both deprecate using Major Breen⁵ or any other officer quartered in Germany, but suggest that an officer might be detached from our forces in Upper Silesia for the purpose.

Repeated to Foreign Office, Berlin, Paris.⁶

⁵ See No. 114, n. 1, and No. 152, n. 3.

⁶ In his telegram No. 307 of June 12, not printed, Mr. Max Muller reported that he had received a letter from M. Skirmunt 'explaining that he had suggested attaching allied officers to Polish inspecting General solely for the reasons of convenience and that he would welcome independent inspection of frontier by allied officers and would regard their evidence as of the utmost value'.

No. 172

Lord Hardinge (Paris) to Earl Curzon (Received June 13, 9 a.m.)

No. 373 Telegraphic: by bag [C 12156/92/18]

PARIS, June 12, 1921

My telegram No. 371¹ and despatch No. 1715.²

M. Berthelot in order as he explains to save time in the absence of M. Briand has replied to my note in a personal letter.³ He reasserts that General le Rond is in no way limited by instructions as to the use of troops in Upper Silesia and that there must have been a misunderstanding on this point. In the meanwhile, Sir H. Stuart has finally recognised that 60,000⁴ men would be necessary to reduce the insurrection by force and that therefore a purely military solution is an impossibility in present circumstances.

Complete agreement however has now been arrived at by the three Commissioners as to the procedure to be adopted. M. Berthelot therefore deprecates any intervention of the Government to prescribe the course of action to be followed by the Commission. He agrees that the establishment of a neutral zone is a means and not an end and assures me that as soon as it has been established the Commission will make use of every effective and practical means in its power without any exception to restore law and order and allied authority in the whole territory.

¹ Of June 10, not printed, see No. 168, n. 7.

² See No. 170, n. 1.

³ This letter of June 12 and Lord Hardinge's acknowledgement of June 13 are not printed. Copies were transmitted to Lord Curzon under cover of Paris despatch No. 1740 of June 13, not printed.

⁴ Sir H. Stuart denied this (see No. 176, below). This figure had been mentioned originally by Marshal Foch (see No. 106 and Vol. XI, No. 122) and it had recently been mentioned in a different context by the allied military commanders in Upper Silesia (see No. 173, below).

Recent telegrams show that the allied Commissioners have agreed on the creation of a neutral zone and various military movements such as the occupation of the railway through Gleiwitz while waiting the performance of the Polish undertaking to evacuate the whole of the territory which they now hold within ten days provided that the Germans do not pass beyond the line they actually occupy.

Consequently the proposal contained in my note of yesterday does not, in M. Berthelot's opinion, meet the situation which there is every reason to hope is improving. After the submission of the Poles which should logically precede that of the Germans, it will be the task of the Commission to obtain equally the submission of the latter.

Repeated to Oppeln.

No. 173

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 16)

No. 43 [C 12450/92/18]

OPPELN, June 12, 1921

My Lord,

Since my arrival here on the 4th instant, I have kept Your Lordship informed by telegram of the course of events and have communicated to you my opinions on various points that have arisen. It will perhaps be useful if, now that I have been here a week, I communicate to Your Lordship the views I have formed on the general situation so far as I have been able to make myself acquainted with it within this comparatively short time.

The position is at once curious and, I believe, unprecedented. There has been an armed rising on the part of many of the Polish inhabitants, which has succeeded in superseding the authority of the Civil Government, represented by the Interallied Commission, over a large part of the plebiscite area. The object of this rising was to forestall any decision by the Allied Governments regarding the future of Upper Silesia which might be contrary to the wishes of the Poles, and the movement is therefore directed as much against the authority of the *Entente* as against the German population of the territory. It has been met by a counter-move on the part of the German population, who have organised a self-defence force, and this force on the one hand and the insurgents on the other now face one another along a line running north and south from the north-east corner of the plebiscite area to the point where the River Oder crosses the southern frontier. In the area occupied by the insurgents the principal towns still contain garrisons of French troops, but outside these towns the authority of the Commission has been entirely superseded by that of the Insurgent Committee, and even within the towns the Commission's authority is not always completely respected. On the other hand, in the area to the west of the self-defence force line, there has been no interference with the Commission's administration, which continues to be as effective as before the insurrection.

The position then is this: on the one hand we have a large force of insurgents who have overthrown the authority of the Commission, while on the other, we have a not inconsiderable force of Germans whose primary object, no doubt, is to defend themselves rather than to support us, but who are, in fact, fighting in aid of the lawful civil government, which they desire to see restored to its full authority. While these forces engage one another the troops of the Government have been sitting passively either within the insurgent lines or behind the front held by the self-defence force. In the latter area their freedom is unfettered, but in the former their supply trains run only by permission of the insurgents, with whom the French troops are on the most friendly terms, and I have no doubt that this also would soon be the case with the British troops whom General Gratier has sent to points within the insurgent area, but whose withdrawal has for this reason been demanded by General Heneker, as already reported to Your Lordship.¹

Appreciating to the full the impotent and humiliating position into which the Commission has allowed itself and its forces to be manœuvred, I immediately enquired what measures were in contemplation for the prompt re-establishment of the Commission's authority. I was told that the only plan with this object was that known as the neutral zone plan. This seemed to me to be of doubtful practicability, while even if it were practicable it failed to offer any promise of complete success, since, so far as I understood it, its object was merely to separate the contending insurgents and self-defence forces, and to limit the restoration of our authority to the zone set up between them. Accordingly, I proposed that the Commission should ask the officers commanding the Allied forces to consider and report upon the practicability of the plan, and, if they found that the establishment of the zone was not practicable, to report what measures should, in their opinion, be taken to restore the Commission's authority throughout the territory. The commanding officers reported that the plan was not practicable, as it would require an Allied force of 30,000 combatants. It further reported that to effect the restoration of our authority and to maintain it thereafter throughout the plebiscite area would require a force of 60,000 combatants;² but they did not consider, as I hoped they would, what measures were feasible on the basis of the undoubted fact that the self-defence troops are not hostile to the Commission, and would cause no trouble or danger once the insurrection were put down.

Meanwhile, General Le Rond explained to me that what he preferred to call the intermediary zone plan aimed at the gradual clearing of the area of both insurgents and self-defence troops by a series of progressive withdrawals in compliance with the instructions of the Commission. He first said that no force would be used to secure compliance with the instructions, but later, when I again urged that the Commission should inform the military commanders that they were at liberty to use such force as might be necessary to secure obedience at any points where it had been refused, he agreed, and the Commission recorded a decision to that effect.

¹ See No. 177, n. 2, below.

² See No. 172, n. 4.

The first map illustrating the course of operations which was shown to me (copy enclosed),³ contemplated the commencement of these withdrawals on the 10th June and the completion by the 20th June. Two more plans have since been received and I enclose a copy of the latest,³ which merely shows the insurgent line as it will be on the 12th and 14th June.

It must be remembered also that the insurgents have given assent to the plan of progressive withdrawal only under certain reservations. The first was that the line now occupied by the insurgents should not be passed by the German troops or the German police, by which is meant respectively the self-defence force and the Plebiscite police. The latter is now entirely German; all the Polish members of it are either actively taking part in the insurrection or have withdrawn to their homes. The second condition was that *gardes communales* should be formed under the control of the Allies for the maintenance of order in the area evacuated by the insurgents. Moreover, the document communicating this conditional acceptance was signed only by a major of the Insurgent Staff, who could, no doubt, be repudiated without difficulty and without hesitation.

On the 8th June, however, the Commission received a communication (copy enclosed)³ signed by Korfanty, which begins by reciting the fact that the insurgent committee had agreed to surrender the administration of the insurgent territory to the Inter-Allied Commission and had already carried out a certain number of withdrawals under the orders of the Commission. Complaint was made that, contrary to the assurances of the Commission, German troops, instead of remaining on their lines, had regained contact with the forces occupying the villages occupied by them and resumed fighting. The Insurgent Committee nevertheless remained ready to carry out the decisions of the Commission, but intimated the impossibility of its doing so unless the following provisions were clearly embodied in the conditions:

(1) That formal orders be communicated to the German troops forbidding them to advance their lines and follow up the Poles in their withdrawal, until the German forces shall, in turn, themselves withdraw.

(2) That equal treatment be accorded to both, and that the Poles should not find themselves, when they obeyed the directions, in an inferior and unfavourable situation as compared with the Germans.

The document is important for two reasons: it bears the signature of Korfanty and it contains no reference to the two conditions regarding the policing of the surrendered area which were found in the earlier document. Possibly the reason for this omission is to be found in the fact that the Commission has already, unfortunately as I think, committed itself to a decision that the plebiscite police shall not in future be employed to the east of the 'Korfanty line', and has passed a decree for the establishment of *gardes communales* to police that area.

General Heneker and I would have preferred the adoption of a plan of operations which would have re-established the authority of the Com-

³ Not reproduced.

mission, if need be, by the use of force, and without acceptance of any conditions from the hands of the insurgents regarding the full discretion of the Commission in respect of the administration of the insurgent area. It was, however, quite clear that there was no present hope of our obtaining the assent of the French Commissioner or the French military commander to any plan which involved the use of force, and as it seemed to me to be of the first importance that the Commission's authority should be re-established with the least possible delay, and this plan of progressive withdrawal did offer some chance of success, I determined to give it my support. I was further influenced in coming to this decision by the desire to maintain agreement with our French Allies, if this could be done without the surrender of any principle of moment. Moreover, I felt that if I refused to adopt this plan the French would maintain strongly that but for my opposition the authority of the Commission could have been restored within a reasonable time and without bloodshed, while, on the other hand, if I yielded to their wishes and did all that was in my power to ensure the success of the plan, I should be in a strong position if it failed and able then to press for equally loyal French acceptance and French support of a plan which I should be prepared to put forward.

As already stated the progressive withdrawals were to have begun on the 10th June—in the neighbourhood of Ratibor, where the Poles were to withdraw from the line of the Oder to the frontier of the Kreis. The allied officers appointed to supervise this withdrawal, however, were unable to reach the spot until the 11th, and so far from any withdrawal having taken place reports show that throughout the afternoon of the 11th June the insurgents were shelling the suburbs of Ratibor vigorously. The withdrawal will, I am assured, take place to-day, however, but up to the moment of writing I have not received any report that this expectation has been fulfilled. Moreover, I have this morning received a visit from M. Ponsot, who told me that he came on his own motion and not on behalf of General Le Rond, and that his object was to point out to me his fears that the commencement of the plan of withdrawal could not be made so soon as expected, since it was necessary to give time for the explanation of the plan to the rank and file of the insurgent forces, and to give them assurances that if they surrender their arms they may return to their villages where they would not be molested or prosecuted for participation in the insurrection. It has thus begun to be clear that the forecast given by General Le Rond regarding the time within which our authority would be restored—a forecast which influenced me not a little in giving my acceptance—will not be realised. On the other hand I feel that the arguments used by M. Ponsot are not unreasonable, and, provided that the delay is one of a few days only, I shall not feel justified in withdrawing my acceptance. I will return to the question of an amnesty later.

There is, however, another governing condition for the success of the plan, namely, its acceptance by the Germans. They are willing to stand fast on the lines [*sic*] they now hold, but they are not willing to withdraw from it until the Commission's authority has been completely restored in the area occupied

by the insurgents. Moreover, the German Committee, from which General Hoefler says he derives his authority, demands, among other things, that those guilty of participating in the insurrection shall be punished, that there shall be no amnesty, and that a central police force shall be formed. Negotiations are still proceeding, but the French attitude towards the Germans is so much harsher than that adopted towards the insurgents that there may be insurmountable difficulties in securing their agreement. General Gratier, I am informed, talks of taking military action against the Germans if they refuse to accept the plan, and he is good enough to propose that the force directed against them should be commanded by General Heneker! To this, of course, I could not agree, but I have succeeded in getting the conduct of the negotiations transferred from French hands to those of Colonel Dillon, chief Staff Officer to General Heneker: and provided reasonable concessions are made I do not despair of securing the agreement of the Germans.

Your Lordship will see how many are the difficulties in the way of the success of this plan, but I hope that you will agree in thinking that, in the circumstances, its acceptance by me was the best course to adopt. General Heneker is now engaged, in consultation with me, in drawing up a plan to be put forward if it fails. This plan consists of the concentration of the Allied forces along the line from Oppeln towards the industrial area and the seizing of that area by striking rapidly and with energy. While not accepting the active assistance of the self-defence troops, it will be necessary that they should hold the line on which they now stand, and it may perhaps be wise even to permit them to advance at certain points in order to afford some additional protection to our lines of communication. Unless reinforcements of allied troops can be sent it will be necessary to recruit largely for the existing Plebiscite police and it is essential that the fact that a man has been enrolled in the self-defence corps should not be a bar to admission to this police. Major Keatinge assures me that he can raise a comparatively large body of efficient men at short notice. I will address Your Lordship further on this subject when General Heneker has made progress with the details of the plan. To strengthen its chances of success it is essential that the Polish frontier be closed and I would ask that Allied officers or Missions should be sent from Warsaw to the two or three points on the Upper Silesia-Poland frontier at which reinforcements and supplies of war materials can be passed into this territory.

I have referred above to the subject of an amnesty to the insurgents. The matter has not yet been discussed by the Commission since I have been here, but I know that the French are anxious that an amnesty should be offered and that it should be full and complete. Without the offer of an amnesty there is no hope of inducing the insurgents to lay down their arms and return to their homes. In reply to my proposal to M. Ponsot today, that exception should be made of persons accused of individual crimes of a grave character, such as murder, rape, robbery and the like, he urged that such an exception would open the door to prosecutions for acts which really formed part of the operations of the insurgents. Thus, the shooting of an individual German

inhabitant by a party of insurgents could easily be made the basis of a charge of murder: while requisitioning could be prosecuted as robbery. He also insisted upon the German character of the tribunals and the conviction of the Polish inhabitants that they would not receive justice from such courts in prosecutions for acts committed during the insurrection.

I have not yet had an opportunity of discussing this matter with my colleagues but I hope to do so tomorrow. I am inclined to the opinion that it would be wise to announce an amnesty for all acts done as a part of the military operations of the insurgents. Without a promise of amnesty, the restoration of the Commission's authority by consent cannot be obtained, but if the announcement is made in the form I have suggested individual crimes, while not expressly excepted, will not be protected unless they can be proved to have been committed as part of the military operations. It is obvious that, even if we had an adequate force available for the complete subjection of the country, it would be impossible to prosecute the many thousands of insurgents who have been in arms, and, even if punitive proceedings were limited to a few hundreds of the leading men, it is improbable that they could be completed before the date on which I hope it will be possible for the Allied officials to withdraw from the country. The granting of an amnesty would be made conditional upon the surrender of arms, and the advantage of securing the disarmament of the insurgents would be far greater than any benefit which could be obtained by prosecution for their acts of rebellion.

I attach to this despatch a diary of events which I hope will prove useful.⁴

I have, &c.,

HAROLD STUART

⁴ Not printed.

No. 174

Earl Curzon to Sir G. Grahame (Brussels)

No. 94 Telegraphic [C 12090/92/18]

FOREIGN OFFICE, *June 13, 1921, 6 p.m.*

Your telegram No. 124 (of June 10th).¹

It is important to maintain the principle that the question of the territorial settlement in Upper Silesia concerns exclusively the five principal allied and associated Powers, as laid down by the treaty of Versailles. By communicating our views however informally to Belgian Government we should only encourage them in their efforts to take part in discussion of Supreme Council on this subject. Moreover the memorandum of May 19th is no longer up to date. You should therefore not communicate it and avoid as far as possible discussing Upper Silesia with Belgian Ministers.

¹ Not printed. Sir G. Grahame had asked whether he might give the Belgian Minister for Foreign Affairs 'confidentially and unofficially' a copy of the memorandum enclosed in Lord Curzon's note of May 19 to the U.S. Ambassador in London (see No. 80, n. 2).

*Earl Curzon to Lord Hardinge (Paris)**No. 1634 [C 12331/92/18]**FOREIGN OFFICE, *June 13, 1921*

My Lord,

The French Ambassador, having asked to see me with a special message from his Government, called upon me at my private house yesterday, Sunday, morning. . . .¹

His Excellency then commenced a discussion upon the Silesian question, reading to me a prolonged telegram from M. Briand, containing the latest French version of affairs, as reported from Silesia two days previously. The telegram contained the usual complaint against the attitude of the British, upon whom the French sought to place all responsibility for the delays and difficulties that had occurred. It referred with particular asperity to the recent firing upon and imprisonment of French soldiers by a portion of the German bands.² It threw upon His Majesty's Government the sole responsibility for the delay in setting up a neutral zone. In general, it implied that the situation in Silesia—which, it may be remarked in passing, was largely due in the first place to the deliberate inertia, and has since been aggravated by the concerted delays, of the French—was exclusively due to the maleficent activities of the British Government and the British representatives.

I said at once that I resented this tone of insistent complaint and reproach from the French Government; that there was in fact not a word of justification for it; that the boot was entirely upon the other leg; and that courtesy alone induced me to desist from repeating the demonstration which I had previously offered of the complicity of French soldiers and commanders in the rising, and of the procrastination of the French Government in dealing with the matter at this end. As to the incident of the French soldiers, I remarked that our information was that it had been due to a misunderstanding, and that it had been satisfactorily explained in Silesia. I informed him that a British soldier of the Black Watch had been shot, presumably by one of the Polish insurgents, in a fracas the day before; but I had not at once approached the French Government with a complaint about this. Such incidents were liable to occur in a situation of so much complexity and conflict.

The Ambassador seemed to think that the British were specially responsible for having allowed the French soldiers to be detained for twenty-four hours.

I declined, however, to discuss the matter further, saying that much larger issues were at stake.

As regards the neutral zone and the situation in general, his remarks were,

¹ A paragraph relating to the consideration of mandates by the Council of the League of Nations is here omitted.

² See Nos. 167, 170.

I said, to a certain extent rendered obsolete by the events of the past two days. I read to him the greater part of a lengthy telegram from Sir Harold Stuart, dated only the day before, in which was explained the plan for a progressive withdrawal from the disputed area, by the insurgents on the one side and the Germans on the other:³ the inference being that the evacuated area would be occupied by the Allied Commission, using for the purpose the augmented Allied forces now at their disposal. The telegram reported that there was fair ground for believing that both sides would withdraw: the Germans to the left bank of the Oder, the insurgents to the eastern boundary of 'Kreis.' The whole object of the Allies should be to create this vacuum between the opposing forces, to get it effectively occupied by Allied troops, and to re-establish the authority of the Allied Commission.

It seemed to me, I added, that the appointment of Sir Harold Stuart had already exercised a most beneficial effect upon the situation. Personally, I had always held—and here the Ambassador indicated his assent—that it was a great mistake to place the commission entirely in the hands of military men. If the French had followed, or were now able to follow, our example in sending a prominent civilian, I was certain that much better results would be obtained. I thought that the French attitude in supporting General Le Rond had been one of the main contributory causes of the trouble. Now, however, that the commission were functioning better, it seemed to me superfluous and unwise to complicate the matter by sending a fresh body of experts to over-ride them. We had accepted this proposal merely in order to make things easier for M. Briand, but we now thought that it was more than doubtful whether it possessed any merit. Much the best thing would surely be to get the commission, after establishing their position, to make another report to the Allies. The matter could then be brought before a meeting of the Supreme Council—and here I pointed out that the delay in summoning the latter, which we were ready to attend at any moment, was due exclusively to M. Briand—and, if the Supreme Council wanted expert assistance, either in examining the report of the commission or in arriving at a decision themselves, they could doubtless procure it. . . .⁴

³ This telegram, No. 188 of June 11, not printed, stated that the plan had been drawn up by General Gratier and provided for the completion of the withdrawal by June 20. Sir H. Stuart had advised the Germans to accept the plan, even though it contained no provision for disarmament.

⁴ The concluding paragraphs dealing with the affairs of Greece and Turkey are here omitted.

No. 176

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 14, 6 p.m.)

No. 195 Telegraphic [C 12367/92/18]

OPPELN, June 14, 1921, 2.30 p.m.

Statement of M. Berthelot (? reported) in Lord Hardinge's telegram No. 373¹ that I have recognized that 60,000 men would be necessary to reduce

¹ No. 172.

insurrection by force is incorrect. The allied commanders reported that strength would be necessary to restore authority of the Commission and maintain it throughout Upper Silesia but Heneker told me estimate was based on an assumption that use of force might be necessary against Germans as well as Poles. I have never given any acceptance of the estimate and Heneker thinks it would be possible to occupy industrial area with the present strength of allied troops supplemented by reinforcements from plebiscite police. He is now working at this plan so as to be ready if plan of progressive withdrawal fails.²

² This telegram was repeated from the Foreign Office to Paris as No. 320 of June 14.

No. 177

Earl Curzon to Lord Hardinge (Paris)

No. 318 Telegraphic [C 12156/92/18]

FOREIGN OFFICE, *June 14, 1921, 3.45 p.m.*

Your Lordship's telegram No. 373 (of June 12th. Upper Silesia).¹

I warmly welcome M. Berthelot's renewed assurances but cannot refrain from observing that they would be more comforting if they corresponded more closely with the actual proceedings and attitude of the French agents and officers in Upper Silesia. The complete agreement between the three Commissioners to which Monsieur Berthelot refers as having established a harmonious procedure appears from the reports which we receive from Sir H. Stuart and General Heneker to exist only on paper. Sir H. Stuart's telegram No. 189 (of June 12th)² shows how completely the action or inaction of the French troops are at variance with the understanding arrived at in the Commission and with the assurances on which the British Commissioner and Commanders have relied.

General Heneker represents that the failure of the French troops to act upon the orders to occupy Laband and clear the line of communication to Gleiwitz makes the position of his troops an impossible one. In his opinion the best way in which British forces could co-operate with French and Italians is to be ready to combine with them in any military operations, but until such operations are in fact undertaken—seeing, as he puts it, that almost every promise made to him or to Sir H. Stuart on this subject by both General le Rond and General Gratier has been broken—he considers he will now have

¹ No. 172.

² Not printed. This referred to Oppeln telegram No. 181 of June 8, not printed, which had reported that a British troop train had been held up by insurgents on the line from Oppeln to Gleiwitz on June 6. On June 7 Sir H. Stuart and General Heneker informed General Le Rond that if the line were not cleared up to Gleiwitz British troops would be withdrawn from French command. It was agreed that the line should be cleared immediately. Sir H. Stuart's action was 'entirely approved' in Foreign Office telegram No. 82 of June 10, not printed. In his telegram No. 189 of June 12, not printed, however, Sir H. Stuart reported lack of co-operation by French troops in clearing the line.

to concentrate all the British troops under his own unfettered authority about Gross Stre[h]litz and Ujest, and he has so informed General Gratier.

This clearly is a picture not of complete harmony but of entire failure of that co-operation which the French Government continually profess to promote, but which their agents systematically refuse to give.

I do not see how this situation can be allowed to continue without the gravest risk to the Entente, and I deplore the marked reluctance of the Quai d'Orsay to bring the necessary pressure to bear on the French officers in order to ensure their carrying out the professed policy of their Government.

I must ask Your Excellency to make a renewed representation.

Repeated to Oppeln No. 86.

No. 178

Earl Curzon to Mr. Max Muller (Warsaw)

No. 152 Telegraphic [C 12210/92/18]

Urgent

FOREIGN OFFICE, *June 14, 1921, 6 p.m.*

Your telegram No. 307 (of June 12th. Silesia).¹

Please arrange if possible for officers of all three allied nationalities to inspect frontier together. Failing that you are authorised to ask General Carton de Wiart to send a British officer if he can.²

Addressed to Warsaw No. 152. Repeated to Oppeln No. 87, Berlin No. 157 and Paris No. 319.

¹ See No. 171, n. 6.

² In his telegram No. 315 of June 21, not printed, Mr. Max Muller reported that three Allied officers had 'left for Sosnovile [Sosnowice] last night' and that the British officer was Lieutenant-Commander Rawlings. In a despatch of that date, No. 363, not printed, Mr. Max Muller reported that General Niessel, without consulting the Allied Ministers, 'had summoned Generals Carton de Wiart and Romei to a meeting and had laid before them instructions for the guidance of the inspecting officers which seemed to be far too formal and even contrary to our wishes'. The three Ministers 'refused to have anything to do with these instructions' and drew up new instructions 'to safeguard the individual liberty of action of each officer'.

No. 179

Lord Kilmarnock¹ (Berlin) to Earl Curzon (Received June 16, 2.35 p.m.)

No. 310 Telegraphic [C 12482/92/18]

BERLIN, *June 15, 1921, 4.20 p.m.*

Minister for Foreign Affairs told me to-day that he had been requested by Chancellor and Cabinet as a whole to declare to me officially that unless final decision on Upper Silesia was in favour of Germany, Cabinet would be inevitably swept out of office. He said he could not tell me officially what

¹ H.M. Chargé d'Affaires at Berlin, June 12-28.

would be considered favourable solution as in view of Plebiscite Germany claimed that whole area should justly be attributed to her, but he hinted that Germany was more or less resigned to loss of Pless and Rybnik.

No. 180

Lord Kilbarnock (Berlin) to Earl Curzon (Received June 16, 2.30 p.m.)

No. 306 Telegraphic [C 12478/92/18]

BERLIN, June 15, 1921, 5.40 p.m.

Rumours have been in circulation that Radek had recently been in communication with Korfanty and even concluded an agreement with him.¹ I learn as a result of discreet enquiries by a member of my staff that German Department of Public Security do not credit these reports, but they say that they have evidence that much propaganda is being carried on amongst Korfanty's troops by communist agents from both Russia and Germany. Recently similar propaganda has been started amongst German Self Defence Corps. Communist agents are said to be well supplied with money.

Repeated to Oppeln.

¹ For an earlier reference to this supposed presence of M. Radek in Upper Silesia, see No. 110.

No. 181

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 21)

No. 53 [C 12769/92/18]

OPPELN, June 17, 1921

My Lord,

In my telegram No. 190 I informed Your Lordship of the close association of British troops with insurgents which had been brought about by the dispositions made by General Gratier of the units of the British brigade under his direct orders.¹ I now enclose a copy of a report by Colonel Hawker (with two annexes) on his visit to the area where those troops were quartered.² General Heneker and I felt that the situation demanded firm and prompt action, even at some risk of a rupture between the French and British commanders, and I informed Your Lordship in my telegram No. 196 of the steps that were taken to withdraw our troops from the position in which they had been placed.³

General Le Rond admitted frankly to General Heneker, in my presence, that General Gratier, alike by the orders he had failed to give as by those he had given, had shown himself to be much at fault. General Le Rond explained that General Gratier, though admirably suited for the command

¹ In this telegram of June 12, not printed, Sir H. Stuart stated that the British Brigade under Colonel Wauchope were fraternizing with the Polish insurgents.

² Not printed. Colonel Hawker, British Deputy Commissioner, visited the area between Ujest and Gleiwitz.

³ Of June 14, not printed.

of a French division, was not well suited for the more delicate position of an interallied command. He added that he talked a great deal, used the telephone to some extent and wrote hardly at all.

Generals Le Rond, Gratier and Heneker met on the 16th instant and came to an agreement, but I have learnt from General Heneker this morning that he has just received a communication from General Gratier containing instructions which differ materially from that agreement. General Heneker is dealing with this matter, and the only point on which I need trouble Your Lordship is that feature of the arrangements which relates to the zone to be assigned to General Heneker. This proposed zone consists of the territory to the north of a line running roughly east and west from a few miles south of Ujest to just south of Tarnowitz. There are strong objections to this line of demarcation, in that it will not give us any part of the real industrial area. General Heneker is pressing for a line which will include the whole of the Oppeln-Beuthen railway and all the Kreis of Beuthen. He has urged this on the military ground that it is important that he should have under his command the line of communications afforded by this railway, but if he fails to obtain satisfaction I shall insist on Beuthen being placed within the British zone for political reasons, since it is essential that some substantial part of the industrial basin should be occupied by British troops, in order that our influence may be adequately represented and that confidence may be given to the German population by the occupation of the basin being of an obviously interallied character.

General Gratier's instructions left it obscure whether the town of Oppeln would be included in General Heneker's command or not. The general instructions regarding the zone leave it within his command, but it was subsequently stated that it would be under the direct command of the interallied Commander-in-Chief. General Heneker is taking up this matter in his reply to General Gratier. I do not consider that the allocation of Oppeln is of like importance with the determination of our share of the industrial area, and I do not, on my present information, propose to press for its inclusion in General Heneker's command.

The most important question which has occupied our attention since the date of my last despatch⁴ is the endeavour to obtain the assent of General Hoefer to the plan of progressive withdrawals by the insurgents on the one hand and the self-defence troops on the other. Up to the time of writing we have not succeeded in securing the acceptance of the plan by General Hoefer. In my telegram No. 198,⁵ I gave Your Lordship a brief account of the meeting on Monday June 13th, between the Commission and a deputation from the Committee of German Parties,⁶ and I now enclose a note⁷ of the discussion which has been prepared by Captain Linton. On June 14th, a meeting

⁴ i.e. since June 12. Sir H. Stuart's despatch No. 43 (No. 173) was the last general despatch dealing with events in Silesia.

⁵ Of June 14, not printed.

⁶ i.e. the Politische Leitung; see No. 153. A memorandum communicated by the German Committee of Twelve to the Commission at this meeting is printed in *The Times*, June 16, p. 9.

⁷ Not printed. No agreement was reached. Captain Linton had replaced Colonel Hawker in the Secretariat.

took place between General Heneker and General Hoefer, the result of which was reported in my telegram No. 201:⁸ and in my telegram No. 204⁹ I informed Your Lordship of conversations with Herr Buntzel, on behalf of the leading mineowners and the Abbé Ulitzka¹⁰ and Baron von Plessen¹¹. I have not yet heard the result of the meeting of the mineowners which was to take place at Breslau to-day, or of the decision arrived at by the political parties, who also meet to-day.

I enclose a copy of a note¹² by Major Clarke on the coalmining position. It will be seen that he takes a grave view of what is likely to happen unless the authority of the Commission is speedily restored in the mining area. If he is correct in his appreciation of the facts the fears of the mineowners for their property should prove a powerful inducement to them to press strongly for [*sic*] General Hoefer and the political parties the immediate acceptance by them of the plan which has been offered by the Commission.

The accompanying copy of a letter addressed by Herr Cyrus¹³ to the *Oppelner Nachrichten* of yesterday's date shows that there are signs of weakening in the resistance of the political parties. I have also some information which indicates that the insurgents on their side are beginning to tire of remaining under arms: moreover, the insurgents' funds are beginning to fail and they have been obliged to propose a 10 per cent tax on workmen's wages which has caused much dissatisfaction. The workmen are also said to be complaining of the overbearing manner of Polish business people and officials who have come from Posen to take the place of Germans.

I continue therefore to hope that the plan will be accepted by both sides, and that it will be carried into effect loyally and promptly. The chief obstacle to its acceptance by the Germans is a deep-rooted suspicion that its main object is to deprive them of their commanding position on the Anna-berg, and that the insurgents will then advance again and seize those heights. I have done my best to remove these fears and have gone to some length in giving assurances privately that the Allied troops under General Heneker, within whose zone Annaberg lies, will vigorously oppose any such Polish advance if it should occur. There is no doubt that the way in which the plan has been prepared has given some room for the Germans' suspicion that it is not an attempt to deal honestly and impartially with the two parties. There have been no negotiations between the Commission as such and the insurgents but there is little doubt that the plan was prepared after much informal discussion with Korfanty by French officers.

It is unfortunate, too, that the plan was offered to Korfanty and his acceptance obtained before any communication was made to the Germans.

⁸ Of June 15, not printed. At this meeting General Hoefer agreed to 'withdraw to a line running due north from just east of Kandrizin [*sic*], east of Leschnitz and west of Dolln'.

⁹ Of June 17, not printed.

¹⁰ Member of the Zentrumsparthei and spokesman of the delegation of five from the Committee of Twelve which met members of the Inter-Allied Commission at Oppeln on June 13.

¹¹ Political agent at the Selbstschutz headquarters at Krappitz.

¹² Not printed.

¹³ Not printed. Herr Cyrus was a member of the Committee of Twelve.

The offer was made before I arrived, and I cannot find that the procedure to be adopted or even the precise nature of the plan was ever decided upon by the Commission. The details were nominally drawn up by General Gratier, but actually, no doubt, by General Le Rond through the agency of Colonel Caput, the French head of the Military Department. It is not now possible to correct these regrettable mistakes, but I am endeavouring to reduce the effect they have produced on the Germans.

In my telegram No. 204, I mentioned the Germans' apprehension that the decision of the Supreme Council on the future of Upper Silesia would be given before the authority of the Commission was fully restored. I have had further information which shows that this fear is somewhat generally felt, and I desire to repeat the hope that I expressed in my telegram that there is not the slightest ground for it. The decision whenever given will create great excitement and if at the time the insurgents or self-defence troops are still in arms our efforts to maintain peace will almost certainly be unsuccessful. The difficulty will be sufficiently great if our authority is fully established when the decision is announced.

British troops together with two French battalions now hold the line from Ujest to Rosenberg and are doing admirably. By a mixture of good humour and firmness they have induced the insurgents to retire at many points, and our officers have been informed by the officers of the insurgent forces that they are ready to go back further when ordered. There has inevitably been plundering by the retiring insurgents and raiding of evacuated villages by Germans who are either members of the self-defence forces or independent bands of brigands. I am afraid that many instances of this kind must occur during the retirement, as the police cannot be organised immediately.

General Heneker has now moved his headquarters to Gross Strehlitz, but he will keep in close touch with me.

The organisation of the Commission is far from satisfactory,¹⁴ but as I hope that it will continue for only a short time longer I do not propose to attempt to secure any radical reforms. I have, however, succeeded in securing greater formality in the record of the Commission's decisions, and I will in future send copies of these to Your Lordship with such explanatory notes as may be necessary. I have appointed Captain Linton to be my representative in the *Cabinet de la Commission*, and this has greatly strengthened my hands, as I now have adequate information of the work done in the *Cabinet* and a means of ensuring on the one hand that the decisions of the Commission are despatched promptly to their proper destinations, and, on the other hand, that no instructions are sent out which are not in accordance with such decisions.

I attach to this despatch a diary of events which have occurred since I last wrote.¹⁵

I have, &c.,
HAROLD STUART

¹⁴ In a private letter of June 12 to Mr. Waterlow, Sir H. Stuart had written: 'The French influence is predominant and succeeds in keeping me in ignorance of much that I ought to know and in delays and obstructions which prevent any real Inter Allied control'.

¹⁵ This diary, omitted from this despatch, but sent from Oppeln on June 24, is not printed.

No. 182

Earl Curzon (Paris) to Sir E. Crowe¹ (Received June 20)

Unnumbered Telegraphic: by bag [C 12781/92/18]

PARIS, June 19, 1921

Please inform Prime Minister as follows.

This afternoon I had prolonged conversation with M. Briand on Silesian question, Italian Ambassador joining in before end of discussion.

I pleaded strongly for reconstitution of Commission on civilian basis, and substitution of an experienced French administrator for le Rond. Briand was adamant against this proposal, and urged immediate despatch of expert Committee. I declined to give up hope that Commission might still present us with unanimous report and a telegram to them was ultimately agreed to, putting this question and in the event of a negative reply asking whether they would welcome any expert assistance. We discussed measures for restoration of local order in Silesia, but French were unwilling to advance at any point beyond unanimous recommendations of Commission.

Briand agreed to meeting of Supreme Council at Boulogne to settle this and other matters at any date after July 10th that you may propose. I said that at this meeting we should raise question of abolition of old sanctions: viz. customs barrier and occupation of towns, if Germans had in interval loyally carried out terms of last ultimatum.²

¹ During Lord Curzon's absence in Paris for conversations on June 18-19 with the French President of the Council and the Italian Ambassador at Paris (see Vol. XV, Chap. V), Sir E. Crowe was in charge of the Foreign Office.

² i.e. May 5; see below, No. 608, n. 3 below.

No. 183

Earl Curzon (Paris) to Sir E. Crowe (Received June 20, 9.35 a.m.)

No. 390 Telegraphic [C 12588/92/18]

PARIS, June 20, 1921, 2.11 a.m.

Following sent today to Oppeln No. 101.

The British, French and Italian Governments agree to put the following questions to the Commission.

1. Does Commission consider that under present conditions and if given more time than was the case when asked for its first report, it could agree on a single joint proposal regarding frontier to be drawn between Poland and Germany?

If the answer is in the affirmative, how soon could this report be drawn up and submitted to the Powers?

2. If Commission does not think itself in a position to arrive at a joint proposal, does it consider that addition of technical advisers (jurists and

engineers) to be chosen by Governments and sent to Upper Silesia would help it in its task, and enable it to reach a joint solution?

Repeated to Foreign Office, Warsaw, Berlin and Rome.¹

¹ In his telegram No. 102 to Oppeln of June 20, repeated to the Foreign Office as No. 388, Lord Curzon instructed Sir H. Stuart that 'Commission should meet and draw up joint answer, which should be communicated to each of the three governments direct'.

No. 184

Earl Curzon (Paris) to Sir E. Crowe (Received June 20, 10.50 a.m.)

No. 392 Telegraphic [C 12634/92/18]

PARIS, June 20, 1921, 2.6 a.m.

Following sent to-day to Oppeln No. 103.

It was represented to me at Conference held to-day¹ with French Prime Minister and Italian Ambassador here that a unanimous decision had been arrived at by allied commission in Silesia in favour not only of progressive withdrawal but of simultaneous disarmament by Poles and Germans, and that this decision had been accepted by insurgents but refused by Germans. I was accordingly urged to support authority of commission by immediate representations at Warsaw and Berlin. As my information did not quite coincide with above description I said I must make enquiries; but in the event of a decision having been unanimously taken by commission on this or other points tending towards pacification I would certainly support commission by diplomatic action. Kindly let me know what are the facts and whether I should make representations in the present case.

Addressed to Oppeln, repeated to Foreign Office.

¹ i.e. on June 19, on which day this telegram was drafted. See Vol. XV, No. 90.

No. 185

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 21, 11.45 a.m.)

No. 212 Telegraphic [C 12756/92/18]

Urgent

OPPELN, June 20, 1921, 8.45 p.m.

Your telegram No. 103.¹

The plan of progressive withdrawals does not contain any condition about disarmament and Commission has made no demand on that subject to either insurgents or Germans. It intends, however, as it regains its authority, to disarm population and offer of an amnesty will not apply to any insurgent who is found to have kept his arms. This was explained in my despatch No. 43.² I asked in my telegram No. 204³ that German Government might be

¹ No. 184.

² No. 173.

³ Of June 17, not printed.

urged to put pressure on General Hoeffler and Committee of 12 to accept plan of progressive withdrawal and I hope these representations at Berlin will be continued. Insurgents have accepted plan.

Repeated to Paris and Berlin.

No. 186

Lord Hardinge (Paris) to Earl Curzon (Received June 21)

No. 398 Telegraphic: by bag [C 12718/92/18]

PARIS, June 20, 1921

'Figaro' and 'Matin' to-day distort the results of Your Lordship's conversation with Monsieur Briand yesterday regarding Upper Silesia into a peremptory summons to the Commission at Oppeln to produce at once an unanimous recommendation for a frontier, accompanied by a 'threat' to send out experts which should put a stop to the everlasting discussions at Oppeln.

'Pertinax' has as usual a full account of the proceedings including Your Lordship's suggestion that as Colonel Percival had been replaced by Sir Harold Stuart, the way was now open for the French to substitute a high civilian personage for General Lerond.

Several papers mention the decision that in the event of resistance by Germans or Poles, the Commissioners' authority is to be reinforced by representations at Berlin or Warsaw.

General tone of Press towards Your Lordship and the result of your visit is however most cordial and satisfactory.

No. 187

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 22, 1.45 p.m.)

No. 214 Telegraphic [C 12849/92/18]

OPPELN, June 21, 1921, 8 a.m.

Your telegram No. 101.¹

The answer of Commission is as follows:

1. Commission is of an opinion that until its authority is completely restored question of fixing frontier of Germany and Poland should not be dealt with on the spot either by Commission or by experts coming from outside.

2. Commission are not in a position to answer the question whether they can arrive at a unanimous conclusion until they have had preliminary conversations on subject.

3. Commission do not feel in need of assistance of expert advisers whether jurists or engineers as we have necessary experts on the spot.

Addressed to Foreign Office No. 214, repeated to Paris, Berlin and Warsaw.

¹ No. 183.

Lord Kilbarnock (Berlin) to Earl Curzon (Received June 21, 2.50 p.m.)
No. 322 Telegraphic [C 12775/92/18]

Urgent

BERLIN, June 21, 1921, 11.10 a.m.

French Ambassador received serious news from Oppeln this morning¹ to the effect that Germans had definitely refused new plan of evacuation which has been proposed and were setting up commissions with administrative powers in such a way as to constitute acts of open rebellion against commission. As Minister for Foreign Affairs had asked me to receive him at 1 o'clock to discuss situation I took opportunity of drawing his attention to these serious reports and we went over all the ground again. I used every argument I could to induce him to bring pressure to bear on General Hoeffler and Committee of 12 and at the same time endeavoured to show advantages which Germany would gain if plan were accepted and to provide him with such meagre material as was available for helping him to defend his position before Reichstag.

French Ambassador saw him later in the day and our combined arguments seemed to have produced desired impression as Minister for Foreign Affairs called on me after dinner and told me that Cabinet had decided after protracted discussion with party leaders to make a strong effort to induce Hoeffler to agree to plan proposed by Inter-Allied Commission. They are sending to Oppeln official from Ministry for Foreign Affairs accompanied by deputy from each of the three Governmental Parliamentary parties to bring pressure to bear in the sense desired. Meanwhile Chancellor has prevailed on parties again to postpone interpellation in Reichstag on the ground that fresh negotiations are in progress. Chief argument which has prevailed in obtaining above is fact that new plan provides for complete evacuation of plebiscite area by Polish insurgents within a period of from five to seven days.

Minister for Foreign Affairs has asked me to give him statement to this effect in writing and I am addressing to him signed memorandum, text of which is contained in my immediately following telegram.²

French Ambassador has already given him plan in writing. In view of this fresh proof of goodwill of German Government I earnestly trust that withdrawal of Poles will be effectively carried out within time limit specified.

Repeated to Oppeln.

¹ This telegram was drafted on June 20.

² Berlin telegram No. 323 of June 21, not printed.

No. 189

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 22, 9.30 p.m.)
No. 215 Telegraphic [C 12853/92/18]

OPPELN, June 22, 1921, 1 p.m.

My immediately preceding telegram.¹

At discussion to-day Marinis was in favour of making attempt to reach a joint decision, while le Rond argued, though not very strongly, against likelihood of our obtaining unanimity. I urged we could not give a definite answer until we had had some preliminary discussion of different points at issue, and suggested such a discussion might clear up doubtful points and prove of assistance to our Governments. Personally, I feel divergences are too wide to allow of a unanimous report from Commission as at present constituted. Le Rond argued that it would be most imprudent for Commission here to make any further recommendations as their purport would certainly leak out in London and Paris, and we should have a fresh insurrection. I replied that I did not fear this as we were now forewarned, and should take effective measures to suppress any such outburst as occurred last May. We are, however, all agreed that nothing should be done about the future of Upper Silesia until our authority is restored.²

Repeated to Paris, Berlin and Warsaw.

¹ No. 187.

² In his telegram No. 200 of June 15, not printed, Sir H. Stuart had said: 'Le Rond has been more accommodating of late and I hope I shall be able to work with him satisfactorily. I think he recognizes that while I have been firm I have not been unreasonable.'

No. 190

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 23, 11.15 a.m.)
No. 219 Telegraphic [C 12895/92/18]

OPPELN, June 22, 1921, 1.10 p.m.

Lord Hardinge's telegram No. 35 to Oppeln about Your Lordship's conversation with M. Briand.¹ On the subject of disarmament please refer to my telegram No. 212² and on the subject of alleged issue of a proclamation assuming administration of territory refer to my telegram No. 157 to Berlin³ which shows that proclamation had a very limited effect and could in no way be regarded as an assumption of administration. I have no information

¹ Not printed. For a report of this conversation, see No. 182.

² No. 185.

³ Of June 22, not printed. In this Sir H. Stuart, referring to 'a proclamation of Committee of 12 which was published in Breslau newspapers of June 18th', explained: 'It deals only with requisitions and arrests and its general effect is to check and bring under some sort of control acts which are being done by self-protection forces without authority. It is a gross exaggeration to describe this action as an administration of territory occupied by self-protection forces or as open rebellion against the Commission.'

whatever to support allegation that German self-defence forces are being gradually transformed into an organised army.

As explained in my telegram No. 217⁴ there is every prospect of a settlement being reached by acceptance of plan of progressive withdrawals. Since despatching that telegram I have had reports which suggest that political parties may hinder acceptance of plan by insisting on supplementary conditions regarding administration of territory after our authority is restored. I hope therefore that pressure by German Government which was asked for in my telegram No. 204⁵ and again in my telegram No. 212² will be maintained.

We shall take all possible means to disarm inhabitants. We are taking measures to set up an adequate police (? force) in territory progressively evacuated by insurgents and administration in force after our authority is re-established will be that of Commission and not that of insurgents or of self-defence forces or of any other body.

Repeated to Paris, Berlin and Warsaw.

⁴ Of June 23, not printed.

⁵ Of June 17, not printed; see No. 181, n. 9, and No. 185, n. 3.

No. 191

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 24, 11.15 p.m.)
No. 226 Telegraphic [C 13036/92/18]

OPPELN, June 24, 1921, 12.10 p.m.

Our representative was unable to get into touch with insurgent commander yesterday but meets him this afternoon. Le Rond has no doubt that our terms will be accepted and at this morning's sitting we drew up a revised programme of withdrawals commencing on Saturday¹ with retirement of Poles to line described in my telegram No. 217.² The Germans make their retirement on Monday and Poles retire on Tuesday and Thursday, and both forces finally disappear on Saturday 2nd July.

To police the areas vacated by Poles we are constituting a Gemeinde-Wacher³ and my old police experience⁴ has been useful in concerting measures for rapid creation of this force on the heels of retiring Poles. It is not a satisfactory form of police, but it is the best we are likely to get in existing circumstances. It will be supplemented by a more organized force in towns, which will be available as a reserve for dealing with any plundering bands of Dacoits⁵ which may spring up, as on occasions of previous insurrections, after Poles have withdrawn. Cavalry will also be useful for this purpose, and I hope Heneker's request for cavalry will be granted.

¹ i.e. June 25. Cf. No. 192, below.

² Of June 23, not printed. The line in question was the eastern boundary of Gleiwitz.

³ Community Guard.

⁴ Sir H. Stuart had been appointed Inspector General of Police in Madras in 1898.

⁵ From the Hindi word denoting armed robbers.

Six allied delegations of control, each consisting of a British, French and Italian officer have been appointed to superintend withdrawal of Poles and Germans.

We propose to issue an amnesty proclamation on Tuesday,⁶ and shall at the same time announce measures taken to ensure protection of all peaceable inhabitants and restoration of authority of Commission.

We have also appointed a committee with M. Pousot [Ponsot] as chairman to draw up proposals immediately for resumption by allied authorities of all administrative and economic services, and settlement of questions of requisitions made by insurgents and Germans.

If all goes well our authority should be firmly re-established by 15th July. It is very desirable there should be no decision on future of Upper Silesia before that date.

⁶ i.e. June 28.

No. 192

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 25, 9.30 a.m.)

Unnumbered¹ Telegraphic [C 13035/92/18]

OPPELN, June 24, 1921, 11 p.m.

I have just heard by telephone that our plan has been accepted by insurgents but retirements will begin on Tuesday instead of Sunday² and will finish on Tuesday July 5th. Hoeffler will be asked to-morrow to give his formal acceptance but plan is virtually his own offer so he is sure to agree. This satisfactory conclusion of protracted negotiations is a matter for congratulation. . . .³

Repeated to London and Paris, Berlin, and Warsaw.

¹ It was suggested in the Foreign Office that the number should be '232'.

² i.e. June 28 instead of June 26.

³ The text is here uncertain.

No. 193

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 28)

No. 54 [C 13277/92/18]

OPPELN, June 24, 1921

My Lord,

I have kept Your Lordship informed by telegram of the course of the negotiations for the conclusion of agreements with the insurgents and the self-defence forces for a series of reciprocal withdrawals which have for their object the dissolution of both forces and the restoration of the full authority of the Commission.¹ I believed last night that a satisfactory conclusion had been reached, but as reported in my telegram No. 231² of this morning, the

¹ See Nos. 184, 185, 190, and 191.

² Of June 24, despatched 5.40 p.m., not printed.

insurgents have not yet given a definite undertaking to accept the final plan adopted by the Commission. Unless, however, I am greatly deceived by General Le Rond's confident attitude, we shall hear this evening³ that Korfanty has signed the undertaking to begin the withdrawal of his forces on Sunday, 26th June, and continue them as indicated on the accompanying map.⁴ If this expectation is realised I think we may regard the settlement as a satisfactory solution of the difficult and apparently hopeless position which I found on my arrival here. The expulsion of the insurgents by military force was at that time impossible, for the French were not willing to cooperate in any such undertaking, and it is doubtful whether even the Italian troops would have been placed alongside the British. In the twenty days that have elapsed since I reached Oppeln not a little has been done. The self-defence forces and the insurgents were then in contact along a line running from north to south of the territory, and fighting was taking place at many points. If this state of things had been allowed to continue, the self-defence force would undoubtedly have attacked in various directions, and almost certainly have pushed the insurgents back and possibly have suppressed the insurrection with which the Allied forces had failed to cope. The consequences might have been very serious: they would certainly have been humiliating to the Allies. We have little reason to be proud of the position in which we find ourselves, thanks almost entirely to the supine management of the Allied forces when the insurrection broke out, but during the past three weeks we have at least obtained a substantial measure of success for our efforts to prevent a *dénouement* which would have been even more fatal to our prestige than the events of the previous month.

As a first step, we succeeded in preventing the German advance. Later we induced the insurgents to retire, and the combatants are now no longer in contact at any point. The Germans have also been persuaded to retire at various places and the zone between the two contesting forces was occupied, though not so fully as one could wish, by Allied troops. My French colleague habitually lays stress on the willingness the Poles have shown to comply with requests addressed to them to withdraw their forces, and implies, rather than states, that there has been no corresponding attitude on the part of the Germans. This is not correct, for the self-defence troops have retired at many points, notably along the line in front of the Annaberg and from the important railway junction of Kandrzin.

With the cessation of actual fighting there has undoubtedly been an improvement in the atmosphere, which has made it possible for us to carry on negotiations for a settlement by agreement. Those negotiations have been protracted, but, in the circumstances, this was inevitable, for it was impossible to have Germans and Poles present round a table to discuss plans with the Allies. Any such meeting while feeling remains as bitter as at present would have wrecked the plan at once. Even meetings between the French Commander-in-Chief and the commander of the self-defence troops threatened to have an equally fatal result, and at my earnest request the

³ Cf. No. 192.

⁴ Not reproduced.

Commission agreed that the discussions with General Hoefer should be entrusted to General Heneker. Notwithstanding this improvement in the machinery of the negotiations, it has been very difficult to induce the Germans to accept the plan of mutual withdrawals. Not unreasonably they regard the Poles as rebels, and feel that they have a strong grievance against the Allies for their disastrous failure to suppress the insurrection and give protection to German life and German property. The Allies, they urge, have superseded the German Government and undertaken the responsibility of the administration of Upper Silesia. They have failed so signally to fulfil that responsibility that the German inhabitants have been obliged to take up arms and organise themselves, in order to obtain by military force that protection which the Allies have ceased to afford them. 'In these circumstances,' they contend, 'we ought not to be asked to lay down our arms until the insurgents are completely dispersed and the lawful government of the country restored to its authority.' There is great force in these arguments, which I feel sure would have been readily admitted by the French if they had been put forward by any people other than their hereditary enemies. French bitterness towards the Germans, however, was a factor in the realities of the case which I could not neglect, and I had to content myself with a solution which would in fact afford adequate protection to the Germans while restoring the ordinary administration of the country at an early date without further bloodshed or serious injury to property. When satisfied of this I directed all my efforts to persuade the Germans to adopt a moderate and reasonable attitude, instead of destroying the prospects of an early re-establishment of law and order by an insistence upon the logical merits of their case. I have been greatly assisted in these efforts by the representations which, under Your Lordship's direction, were made at Berlin, and by the gratifying belief in British impartiality which is still being shown by the Germans, notwithstanding the shattering of the hopes they founded on the arrival of the British troops.

If, after all our endeavours and all the concessions made by the Germans, the insurgents should at the last moment reject the Commission's plan, then, in deciding what action should be taken, due weight and consideration must be given to the self-restraint and moderation which have been shown by the Germans in a situation which made an exhibition of those qualities extremely difficult.

I have frequently asked myself why Korfanty has hitherto shown such a willingness to withdraw from the area occupied by him and disband his forces. Much of it is undoubtedly due to French influence, the exercise of which may in turn perhaps be attributed to a realisation of the impossible *impasse* which their indefensible attitude has produced. Then again I believe that the stream of the insurgents' funds is beginning to run dry. Moreover, the cessation of fighting, together with the cold and wet weather of the past fortnight, has done much to damp the patriotic fire which fed the insurrection. Finally, it is possible that Korfanty and his partisans and patrons believe that the decision of the Supreme Council on the future of Upper Silesia will

give them nearly all they demand. But be the causes what they may it is clear to me that the French now desire the restoration of the Commission's authority and, their influence with Korfanty being paramount, I am confident that we are in sight of a peaceful termination of the rebellion.

Throughout the somewhat trying period of these negotiations I have been in the closest touch with General Heneker, on whose sound and sober judgment I much rely. It has also been a great support to me to learn from Your Lordship's telegram No. 92⁵ that my action has your full approval and that the conduct of my duties has won the appreciation of His Majesty's Government.

I have dealt in my telegrams Numbers 214 and 215⁶ with the enquiry whether the Commission thinks that it could reach a unanimous conclusion on the subject of the future of Upper Silesia, and I have little to add to what is there stated. I fear that General Le Rond is too deeply committed to the large concession to Poland to allow of any impartial treatment of the question by him in further conferences; but it would, I think, be helpful to His Majesty's Government if I submitted his arguments to an examination in personal discussion, for I might in this way elicit admissions of the untenability of some of his positions and possibly force him to surrender them, thus clearing the ground for the discussion which much [*sic*] eventually take place in the Supreme Council. I have so far been too much preoccupied with the negotiations for a settlement of the insurrection to be able to make a thorough examination of the question, and I have further been handicapped by the absence of M. Bourdillon, who has been compelled by serious ill-health to take a short rest. He will return to duty next week and with his capable assistance I shall as soon as possible prepare matters for these debates with my colleagues. Meanwhile, I venture to repeat the opinion, which is shared by all of us, that it is undesirable that any decision on the partition of the territory should be taken before our authority has been completely restored.

I enclose the usual diary of events,⁷ and I take this opportunity to send Your Lordship copies of the following papers:

- (1) A report by Major Clarke on a visit paid by him to the industrial region last week;⁷
- (2) A proclamation, in English, dropped from a Polish aeroplane with the object of influencing the sentiments of the British troops.⁷

I have, &c.,

HAROLD STUART

⁵ Of June 22, not printed.

⁷ Not printed.

⁶ Nos. 187 and 189.

Lord Kilmarnock (Berlin) to Earl Curzon (Received June 26, 12.30 p.m.)

No. 332 Telegraphic [C 13074/92/18]

BERLIN, *June 25, 1921, 8.30 p.m.*

Yesterday I met Herr Erzberger¹ at a private house and had a long conversation with him on Upper Silesian question. He expressed grave fears that decision as to industrial area would be unfavourable to Germany and repeated, what I have often reported, statement that this would so undermine the position of Wirth Government as to render its continuance in office impossible.

In these circumstances he said he considered the only solution which could save the situation was that Upper Silesia should remain undivided and be constituted into an autonomous State possibly under League of Nations on the model of Dantzig. He would not advocate this solution so long as there was a chance of industrial area being attributed to Germany but would regard autonomous State as a lesser evil than attribution of area to Poland. He thought that solution which he had suggested might be compatible with the continued existence of the present Government. I remarked that as far as my information went such a proposal would meet with very scant support amongst German public opinion but he seemed to think the idea might be presented in such a form as to secure its acceptance. It could not of course at the present stage be openly advocated by the German Government but it might form a 'pis-aller' if a more favourable solution proved impossible. I pointed out that an autonomous Upper Silesia did not come within the provisions of the Treaty of Peace. An Upper Silesian, Doctor Latacz, who was present (see my despatch 834)² warmly advocated the idea and said that it had very considerable support in Upper Silesia. The present insurrection had prevented its being discussed openly but he believed that great majority of Upper Silesians would prefer it to any other solution. Amongst those who would support it was Napirolski who owns most of newspapers both Polish and German in Upper Silesia.

I report the suggestion to Your Lordship as it seems to me that it might conceivably prove useful in the not improbable event of Inter-Allied Plebiscite Commission failing to reach unanimous decision, and of our being unable to induce French Government to agree to a solution sufficiently favourable to Germany to avoid disagreeable internal complications in this country.

Whether Herr Erzberger's view of German acquiescence in solution now suggested could be secured is correct or not appears to me doubtful, as I have reason to believe usual standpoint is that anybody who supported such an

¹ Former German Minister of Finance and a member of the Reichstag.

² Of June 14, not printed. This enclosed notes on the Upper Silesian question compiled by Lieutenant Hume after a conversation with 'Dr. Latacz of Gleiwitz . . . one of the leaders of the Upper Silesian autonomy movement'.

idea would be regarded as traitor. But in the view of influence still exercised by Herr Erzberger and his former close association with Wirth his opinions are not without a certain importance.

I should be grateful for an expression of Your Lordship's opinion on Herr Erzberger's suggestion in order that I may be in a position to discourage him from taking any hasty steps in the matter should you consider that a movement in favour of autonomous Upper Silesia might prove embarrassing to His Majesty's Government. I believe Herr Erzberger would take my advice in the matter.³

Repeated to Oppeln.

³ Following upon a minute by Major Ottley in which he stated that 'Herr Erzberger has hardly got the necessary influence on German public opinion to cause such a solution to be accepted', and a minute of June 27 by Mr. Waterlow setting out the 'grave objections' to Herr Erzberger's proposal, Sir E. Crowe noted: 'According to Colonel House [formerly one of President Wilson's chief unofficial advisers], whose conversation with me I have recorded separately, the plan alluded to by Mr. Erzberger is one which the German Government might be prepared to adopt as a "pis aller". It does not follow that it would be a good arrangement.' A reply, saying that 'it would be well not to give any encouragement to the suggestion at present' was drafted in the Foreign Office but was not sent. In his telegram No. 164 to Berlin, repeated to the Foreign Office as No. 235 of June 27, Sir H. Stuart commented: 'I do not believe that Erzberger's proposal would meet with much support in Upper Silesia nor do I think an autonomous state practicable in the present circumstances.'

No. 195

Mr. Max Muller (Warsaw) to Earl Curzon (Received June 26, 12.10 p.m.)
No. 323 Telegraphic [C 13083/92/18]

WARSAW, June 25, 1921, 9.22 p.m.

During interview with Minister for Foreign Affairs this afternoon I presented to him a memorandum summarizing information contained in Sir H. Stuart's telegrams Nos. 146¹ and 148² and telegram unnumbered of June 24th.³

I said news contained in last telegram that withdrawal plan had been definitely accepted by insurgents was a matter for congratulation and I added an expression of my personal appreciation of successful efforts of Polish Government to induce insurgents to listen to reason and (? bow) to orders of Inter Allied Commission.

I urged His Excellency to continue these efforts to prevent any untoward incidents not only during period of withdrawal but especially at critical moment when decision as to frontier became known. His Excellency enquired whether I had any idea as to when final decision might be expected and what

¹ The reference is to Oppeln telegram No. 226 to the Foreign Office (No. 191).

² The reference is to Oppeln telegram No. 229 of June 24 to the Foreign Office, which stated: 'Germans evacuated Kandrzin and Altcosel and Birawa on 22nd June, and these places are now occupied by Italian troops.'

³ No. 192.

it was likely to be. I replied I had no definite information but I gathered no decision was likely to be taken before complete restoration of Commission's authority about July 15th and that Commission so far as I knew had not renounced all hope of being able to present a unanimous report. His Excellency agreed with me that critical moment would come with publication of final decision which whatever it might be was sure to disappoint many on both sides. He promised that Polish Government would do their utmost to prevent any further trouble and he would send a telegram to Korfanty in the sense of my representations. He begged me however to remember that Korfanty no longer had absolute control of all insurgents and that incidents might be created by insubordinate bands. I replied that Commission was prepared for this and would know how to deal with such brigands.

Repeated to Berlin and Oppeln.

No. 196

Earl Curzon to Lord Hardinge (Paris)

No. 348 Telegraphic [C 13213/92/18]

FOREIGN OFFICE, *June 25, 1921*¹

General Heneker's telegrams to War Office Nos. Z. 21 and H. 26 (of June 22nd Silesia).² Sent to you by bag June 24th.

Please bring contents to notice of French Government and express the hope that (1) General le Rond will be instructed to show a somewhat more conciliatory spirit in dealing with the conditions of mutual withdrawal on the part of Poles and Germans and (2) that the French Government will join us in making serious representations at Warsaw concerning the concentration of Polish troops so near the Upper Silesian border with their headquarters actually on Silesian territory.

¹ The time of despatch of this telegram is not recorded.

² The paraphrases of these telegrams received in the Foreign Office are not printed. The first reported the presence of a division of Polish troops under General Haller (Chief of the Polish Staff, see Vol. I, p. 500, Vol. II, p. 56) on the Polish frontier with its headquarters at Schoppinitz and of another division on the Polish-Silesian frontier under General Schlopiski as well as 'a continuous movement of troops past Tarnowitz and Peiskretschan in the direction of Gross Strelitz and Ujest'. The second reported the modification by General Le Rond of a plan for the mutual withdrawal of Poles and Germans which General Hoefer was ready to accept.

No. 197

Lord Hardinge (Paris) to Earl Curzon (Received June 28)

No. 1843 [C 13222/92/18]

My Lord,

PARIS, *June 25, 1921*

As Your Lordship may have noticed in my recent reports of the meetings of the Conference of Ambassadors, the Belgian Ambassador has been attend-

ing the Conference far more frequently than used to be the case. Knowing that His Majesty's Government do not wish the Belgian Government to take part in the discussions on the Upper Silesian question, it seemed to me desirable to limit as far as possible the attendance of the Belgian Ambassador at the Conference of Ambassadors since at any time the Upper Silesian question may come up for discussion.

I accordingly addressed a private letter¹ to M. Cambon on the subject and have now the honour to enclose for Your Lordship's information a copy thereof together with subsequent correspondence.² You will notice that I justified my request by appealing to the original Resolution of the Conference which defines the occasions on which the Belgian Ambassador is to be invited to attend the Conference.³ M. Cambon's reply⁴ shows how much more difficult it has become to limit the subjects in which the Belgian Government may be held to be directly interested since the participation of the Belgian Government in the recent meetings of the Supreme Council. Nevertheless I trust that my warning will have the desired effect and I have already explained to M. Cambon that the special object I had in view in raising this point, was to guard against the possibility of the Belgian Ambassador taking part in any of the discussions on Upper Silesia at the Conference of Ambassadors.⁵

I have, &c.,

HARDINGE OF PENSHURST

¹ Of June 16, not printed.

² Not printed.

³ According to Paris telegram No. 123 of February 2, 1920, 'the Council finally agreed that Belgium should be admitted to the Council to discuss only such questions as the Secretariat might decide to be of interest to her, but then should be admitted with full deliberative powers'.

⁴ Of June 18, not printed.

⁵ In his reply, dated June 25, to M. Cambon's note of June 18 (see n. 4) Lord Hardinge wrote: 'I agree with you that the best manner of dealing with such doubtful cases is for the Secretariat-General to consult the various Embassies before issuing an invitation to Baron Gaiffier [Belgian Ambassador at Paris].' Lord Hardinge's action was approved in Foreign Office despatch No. 1824 to Paris of July 2, not printed.

No. 198

Sir H. Stuart (Oppeln) to Earl Curzon (Received June 26, 3.40 p.m.)

No. 233 Telegraphic [C 13084/92/18]

Very urgent

OPPELN, June 26, 1921, 12.15 p.m.

Both Poles and Germans have now signed an agreement for reciprocal withdrawals, and withdrawals will finally be effected by July 5th.

No. 199

Lord Hardinge (Paris) to Earl Curzon (Received June 27, 11.30 p.m.)

No. 423 Telegraphic [C 13209/92/18]

PARIS, June 27, 1921, 8.10 p.m.

Your telegram No. 348.¹

I venture to point out that representations to French Government as regards le Rond would be both out of date and misplaced seeing that since General Heneker's telegrams were written a complete scheme of progressive withdrawal has now been accepted by both Germans and Poles, and is, I trust, at present moment being put into execution (see Oppeln telegram No. 233).²

As regards concentration of Polish troops on frontier I would suggest that before making representations to Polish Government, Lieutenant-Colonel [*sic*] Rawlings, who is on a mission to enquire into Polish measures for closing of Silesian-Polish frontier (see Mr. Max Muller's telegram No. 315)³ should be instructed to report likewise on concentration of Polish troops (compare Warsaw telegram No. 277).⁴

¹ No. 196.

² No. 198.

³ Of June 21, not printed; see No. 178, n. 2.

⁴ In this telegram of May 28, not printed, Mr. Max Muller had stated that the reported Polish mobilization on the German frontier was 'founded on a misapprehension of a telegram sent by the Italian Chargé d'Affaires', and that it was General Carton de Wiart's opinion that the transfer of Polish troops from east to west was to a great extent the natural result of the establishment of peace on the eastern frontier and of the circumstance that peace stations for troops were much better in western Poland than in the east.

No. 200

Note from Lord Hardinge (Paris) to M. Briand¹

[C 13390/92/18]

PARIS, June 27, 1921

My dear Président du Conseil,

I am sorry to have to trouble you again on the subject of the reports which have appeared in the press respecting statements made by you before the Senate and Chamber Commission on Foreign Affairs on the 22nd and 24th instants respectively; but I am asked by Lord Curzon² to call Your Excellency's particular attention to the following reports which have appeared in the French press regarding his recent conversation with you on the subject of Upper Silesia.

1. In the Senate Commission you are alleged to have stated that as a result of your conversation with Lord Curzon,³ it was agreed that the

¹ This note was transmitted to the Foreign Office under cover of Lord Hardinge's despatch No. 1868 of June 29, not printed.

² In Foreign Office telegram No. 351 to Paris of June 27, not printed.

³ See No. 182, n. 1.

Supreme Council can only take a decision with regard to the new Silesian frontier on receipt of a unanimous report drawn up by the existing Allied Commissioners, either with or without the assistance of technical experts specially appointed to aid them.

2. In the Commission of the Chamber you were reported to have maintained that the French Government adheres formally to the view that the whole industrial area of Upper Silesia should be assigned to Poland and that there was reason to hope that the Allied Commission at Oppeln would before long submit a unanimous recommendation in this sense, as Great Britain would not be able to hold out alone.

I would again say, as I did in my letter of yesterday,⁴ that Lord Curzon has of course no means of knowing whether Your Excellency's statements on these two occasions are accurately reported or not, and although so far as I am aware no subsequent corrections or amplifications have been published, I trust that they may be shown to have been misrepresented, for I need hardly say that Lord Curzon is much distressed to think that there should be any misunderstanding as to the conclusions which you and he arrived at as a result of your conversation last Sunday week.⁵

As regards the need for a unanimous decision by the Allied Commission, I need hardly remind you that nowhere does the Treaty lay down that the Allied Powers can only arrive at a decision on the basis of a unanimous report from the Commission. All that was decided in Paris in this respect was that in view of the desirability of a unanimous report a fresh opportunity should be provided for the Commission to submit one,⁶ if they could, and the liberty of action of the Supreme Council was not thereby prejudged or limited in the smallest degree.

As regards the claim that the whole industrial area should be assigned to Poland, I think I am right in saying that nothing was said in the course of your conversation with Lord Curzon to imply that the French Government were going to insist upon this view. In fact you will remember that in a conversation I had with you on this very subject on May 13th,⁷ you assured me that it was not the policy of the French Government to insist on the cession of the whole industrial area to Poland and that only those districts where there was a Polish majority should be ceded to Poland on that occasion. I took the opportunity of pointing out to Your Excellency that M. Laroche had more than once in the Conference of Ambassadors advocated the cession of the whole industrial area to Poland subject to the Polish Government assuming a corresponding proportion of Germany's reparation, and in reply I understood you to deny that this was the policy of the French Government.⁷ As nothing that Your Excellency has since said contradicts this view, Lord Curzon has always assumed that Your Excellency's assurances given to me on the 13th May still held good and I trust therefore that I may be allowed to consider that the statement in the newspaper is unfounded.

As Lord Curzon is naturally somewhat distressed at these presumably

⁴ Not printed. The letter referred to French press reports on the status of Thrace.

⁵ i.e. June 19.

⁶ See Vol. XV, pp. 606-8.

⁷ See No. 60.

unauthorised statements in the Press, I am hoping that Your Excellency will be able to give me a satisfactory explanation with regard to both points that I have mentioned, so as to enable me to reassure Lord Curzon that there is no divergence of opinion between you and him with regard to either of them.⁸

Yours, &c.,

HARDINGE OF PENSHURST

⁸ In his reply of June 29 to this note, M. Briand wrote: 'Je ne puis croire que Lord Curzon attribue une valeur officielle à des informations de presse que chaque rédacteur présente selon la fantaisie. Le fait qu'elles n'ont été de ma part l'objet d'aucun démenti et d'aucune rectification ne saurait être interprété à aucun degré comme une approbation de leurs termes. Si je me suis abstenu de relever les erreurs qu'elles peuvent contenir c'est qu'une expérience déjà longue m'a appris que des démentis de ce genre n'ont d'autre effet que d'exciter de nouvelles polémi-ques [*sic*] et d'attirer à nouveau l'attention sur des affaires qu'il y a intérêt à soustraire, dans la mesure du possible, aux discussions publiques. . . . Quant à la Haute-Silésie, et quelles que soient les informations que la presse a pu publier, la position du Gouvernement français n'a pas varié; il s'en tient à la stricte application des clauses du Traité de Versailles, qui a stipulé que la frontière serait tracée "en tenant compte du vœu exprimé par les habitants ainsi que de la situation géographique et économique des localités", que le vote aurait lieu par commune et que la Haute-Commission alliée ferait une proposition. Il appartiendra aux puissances, saisies de la proposition de la Commission, de l'examiner et de prendre une décision en s'inspirant de ce texte.

'Nos échanges de vue récents n'ont pas touché la question de fond et se sont bornés à constater la nécessité primordiale du rétablissement de l'ordre et à demander à nos Commissaires de nous faire une proposition unanime de frontière. Quand le Conseil Suprême se réunira, il aura à examiner le fond de la question, soit à l'aide d'un rapport commun de la Commission de Haute-Silésie, soit avec les éléments d'information réunis par les experts qu'il possédera. Il va de soi qu'une décision aussi importante ne peut être prise à la majorité des voix, car elle pose des questions de souveraineté. Le Gouvernement français n'a pris aucun engagement, ni accepté aucune restriction à son droit de décision et est aussi libre à cet égard que ses Alliés. C'est par un accord unanime seulement que la question peut être tranchée, en respectant les termes du Traité de Versailles, au point de vue de la forme et du fond.

'Je suis convaincu que le Gouvernement britannique ne peut qu'être d'accord avec moi à cet égard et qu'il est aussi désireux que le Gouvernement français de se maintenir dans cette affaire en complet accord avec ses Alliés.'

No. 201

Note communicated by the French Embassy on June 28

[C 13214/92/18]

LONDON, June 23,¹ 1921

A toutes fins utiles, l'Ambassadeur de France a l'honneur de communiquer ci-après à Son Excellence le Principal Secrétaire d'Etat pour les Affaires Etrangères les renseignements de Haute Silésie qui viennent de lui parvenir:

OPPELN, 23 Juin 1921

A. Le Général Hoefer, reçu hier par le Général Heneker, commença par résister et par ruser. Le Général Heneker le ramena à la question en

¹ It was noted on the file that this communication had been dated June 23 in error and should have been dated June 28.

déclarant que la Commission se prêterait peut-être à des modifications de détail. Le Général Hoefer en profita immédiatement pour se déclarer prêt à se soumettre au plan de la Commission, mais en y mettant comme condition que le premier recul des Polonais s'étendrait à l'Est de Zabrze.

Le Général Hoefer réussit ainsi à prolonger la discussion.

B. Lorsque la Commission s'est réunie le 23 au matin, le rapport du Général Heneker a été examiné. Le Général Le Rond a fait ressortir le manque de loyauté dont témoigne du côté allemand ces atermoiements prolongés depuis douze jours et a opposé l'attitude du Général Hoefer à celle dont a fait preuve dans le même temps le commandement insurgé, qui a accepté sans discussion les injonctions successives qui lui ont été adressées.

Sir Harold Stuart en a volontiers convenu, comme il a reconnu le caractère de marchandage que comportent les transactions avec les Allemands.

Pour répondre au désir exprimé par Sir Harold Stuart, le Général Le Rond a accepté d'user de toute son influence pour essayer d'obtenir des Polonais le nouveau sacrifice qui doit enfin permettre de pacifier le pays. Dans cette occurrence, le Général Le Rond a dû, toutefois, souligner combien il serait difficile au Comité insurgé de changer encore une fois les dispositions arrêtées après toutes les modifications successives amenées par l'intransigeance allemande. Le Colonel Caput, dont la fermeté était pour la Commission une sûre garantie que tout le possible serait fait pour obtenir l'adhésion nécessaire, a été immédiatement envoyé auprès du commandement polonais.

En fin de séance, Sir Harold Stuart a dit au Général Le Rond que l'Angleterre reconnaissait combien il était difficile de demander chaque jour des sacrifices nouveaux aux Polonais.

Le Colonel Caput n'ayant pu joindre immédiatement le Commandant en chef des insurgés, qui était en tournée, l'entrevue a eu lieu le lendemain.

Toutes les dispositions ayant été déjà prises par le commandement insurgé pour exécuter le repli dans les conditions, considérées alors comme définitives, qui lui avaient été notifiées le 20, et le Colonel Warwas [*sic*] ayant lui-même réuni tous les commandants militaires pour leur expliquer personnellement les conditions d'après lesquelles devaient s'exécuter les mouvements et en régler tous les points, les difficultés de changer au dernier moment le plan arrêté sont apparues encore plus considérables qu'il n'était prévu. Aussi, tout en marquant le désir de se conformer une fois de plus aux instructions de la Commission, Korfanty et le commandant en chef des insurgés ont-ils insisté de façon pressante sur les dangers d'une modification que les chefs militaires risquaient de ne pas comprendre ou d'attribuer à la faiblesse du Comité Exécutif.

Prévenu de cette situation par téléphone, le Général Le Rond a insisté de toute son autorité pour obtenir ce nouveau sacrifice, que le commandant en chef a fini par consentir. Il doit consacrer la journée du 24 juin à revoir les chefs militaires pour assurer leur obéissance complète aux nouvelles instructions de la Commission. Il y a donc tout lieu d'espérer que, dans ces conditions, le Général Hoefer signera l'engagement qui lui est demandé et que le commencement du repli se fera le Dimanche 26 juin.

D'autre part, des renseignements transmis au Gouvernement français, il résulte que deux détachements allemands à l'effectif de 5 officiers et 200 hommes ont débarqué pendant la journée du 16 Juin en pleine voie à l'est de la station de Namslau. Ces détachements appartiennent au 'Freikorps Olmutz,' qui a été recruté dans la région de Goerlitz pendant la première quinzaine de Juin. Ils ont pris la direction de Kreuzbourg. Deux canons de 77 mm. ont été débarqués le même jour en gare de Grambschutz (localité située à 6 kilom. à l'est de Namslau gare). Ils ont été transportés ensuite en Haute-Silésie par camions automobiles et aux dires des convoyeurs ils proviendraient de l'Artillerie Dépôt de Breslau.

Le passage en gare de Namslau d'un wagon de munitions d'infanterie volées au dépôt de Breslau avec la complicité de la garde a été également signalé.²

² Major Ottley minuted on June 29: 'This is a further attempt to represent the Poles as being completely innocent and tractable and the Germans as the sole villains of the piece.'

No. 202

Earl Curzon to Lord Hardinge (Paris)

No. 354 Telegraphic [C 13209/92/18]

FOREIGN OFFICE, June 28, 1921, 10 p.m.

Your telegram No. 423 (of June 27th: Upper Silesia).¹

On reconsideration I agree with you that representations to French on point (1) would now be out of date.

As regards representations at Warsaw, presence of General Haller at Schoppinitz which is Korfanty's headquarters was officially reported by General Heneker and does not seem to me to call for confirmation from any allied officer in Poland.² It should be made subject of protest to Polish Government.

Please act accordingly.

¹ No. 199.

² See No. 196, n. 2, and No. 199.

No. 203

Lord D'Abernon (Berlin) to Earl Curzon (Received June 30, 11 a.m.)

No. 337 Telegraphic [C 13411/416/18]

BERLIN, June 29, 1921, 5.25 p.m.

I called on Minister for Foreign Affairs today and had a long conversation with him on current events. He has to speak in Reichstag tomorrow regarding removal of March sanctions.¹ Although he complained bitterly about the injustice of non-removal of these sanctions after Germany's compliance with

¹ See Nos. 458 and 644, below.

terms of ultimatum and although he declared he would have to use strong language in Reichstag I found he was fairly confident about getting through debate successfully.

Upper Silesian debate will come on next week immediately before adjournment of Reichstag.

About this debate I found him less confident. He said that he had had a bad time yesterday before Foreign Affairs Committee. He had been advised to deal with this Committee quite frankly even to make an occasional joke. But his jokes went very flat and he himself was treated more like a criminal than a Minister. This he attributed to intense susceptibility of public opinion on the subject of Upper Silesia. He urged again that England should endeavour in her own interests to take such action as would prevent unfavourable decision for Germany since such decision would immediately lead to downfall of Wirth Government. 'Would it not be possible to instruct Sir H. Stuart not to agree to any solution less favourable than Pless-Rybnik solution without referring matter home. It would be deplorable if unanimous proposal which Inter-Allied Commission had been requested to furnish took away from Germany anything more than Pless and Rybnik'. Even in accepting this solution he was speaking privately and without authority as public opinion in Germany demanded whole of Upper Silesia in accordance with Plebiscite.

I told Minister for Foreign Affairs that I could give him no answer to this question but that I would refer matter to London.

I also pointed out that to my mind position in Upper Silesia was greatly improved compared with three weeks ago. It was clear that condition precedent to any satisfactory solution was clearance of country of rebel forces. This was in process of being achieved and he might justly claim clearance as a success for policy followed by his Government.

His Excellency said in conclusion that he earnestly asked for support of His Majesty's Government in the matter of Upper Silesia. Although he had nothing to offer us in exchange since England had everything and Germany had nothing, yet assistance in this matter would ever be regarded by Germany with gratitude.

No. 204

Lord Hardinge (Paris) to Earl Curzon (Received June 30, 9.40 a.m.)

No. 433 Telegraphic [C 13360/92/18]

Very urgent

PARIS, June 29, 1921, 8.10 p.m.

Following sent to Oppeln No. 38 today. Repeated to Foreign Office and Berlin.

General le Rond has telegraphed to Marshal Foch saying that he has informed General Nollet that the German forces in Upper Silesia will evacuate that territory on and after June 28th, and will probably carry

with them their arms and equipment, and that he has asked General Nollet to seize these arms and equipment as soon as they are brought into Germany. On receipt of this telegram Marshal Foch telegraphed to General Nollet instructing him to take all possible measures to ensure that, in accordance with General le Rond's proposal, all war material in possession of German forces evacuating Upper Silesia should be seized on arrival in German territory, in application of treaty of Versailles.

In informing General Sackville West of this action Marshal Foch explained as General Nollet could not receive instructions from General le Rond he was merely regularising position by giving General Nollet the necessary authorisation to carry out General le Rond's proposal, on the ground that it was in execution of military clauses of treaty of Versailles, which provide for the disarmament of Germany.

In order that there may be no misunderstanding I should like to know:

(1) Whether request addressed by General le Rond was in the name of Commission as a whole, or emanated merely from General le Rond personally.

(2) Whether such disarmament is in accordance with agreement concluded with General Hoeffler.

(3) Whether arrangements have or ought to be made with Polish Government for similar disarmament of Polish insurgents when they cross into Polish territory.

No. 205

Mr. Max Muller (Warsaw) to Earl Curzon (Received June 30, 11.45 a.m.)
No. 328 Telegraphic [C 13425/92/18]

WARSAW, June 29, 1921, 9.10 p.m.

My telegram No. 315 repeating telegram to Oppeln No. 73.¹

Three officers have returned, Lieutenant-Commander Rawlings whose report follows by bag to-day² is of opinion that a determined effort has been made to effectively close the frontier and when leakage has taken place it has been due to local sympathies and Polish Government cannot be held responsible. Measures adopted are elaborate and effective and no attempt was made to hood-wink inspecting officers. There are no signs of lorry traffic on roads and searching of trains is thoroughly carried out.

Granting that at the outset local sympathy and French connivance may have rendered abortive efforts of Polish Government, Commander Rawlings considers they have during past few weeks made determined efforts to close the frontier efficiently even at the cost of inflicting considerable hardship on local Polish inhabitants.

Repeated to Berlin and Oppeln.

¹ See No. 178, n. 2.

² Not printed.

No. 206

Sir H. Stuart (Oppeln) to Earl Curzon (Received July 1, 9.15 a.m.)

No. 240 Telegraphic [C 13436/92/18]

OPPELN, June 30, 1921, 6.30 p.m.

Following sent to Paris No. 182 today.

Your telegram No. 38.¹

The answers to your questions are:

- (1) From General le Rond personally.
- (2) No.
- (3) No.²

General le Rond when questioned by me on the receipt of your telegram said that his communication to General Nollet was in continuation of a correspondence begun in May and related to arms stolen from dumps in Germany only which were destined for destruction by orders of the Commission of Control. I pointed out that it would have been better if communication had gone from the Commission and if its restricted scope had been more clearly indicated and he agreed. I suggest that this explanation be communicated to Marshal Foch with a view to more precise and restricted instructions being given at once to General Nollet.

Addressed to Paris No. 182, repeated to Foreign Office and Berlin.

¹ See No. 204.

² In the Foreign Office it was assumed that the negative applied to the first part of the question only. See No. 209, below.

No. 207

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston¹
(Received July 2, 8.55 a.m.)

No. 444 Telegraphic [C 13571/92/18]

PARIS, July 1, 1921, 8.40 p.m.

Oppeln telegram to Paris No. 182.²

I am addressing a strong protest to French Government against independent action taken by General le Rond in this matter.

Repeated to Oppeln.

¹ Lord Curzon had been elevated to a Marquisate in the King's Birthday Honours List of June 4, 1921, and assumed the title of the Marquess Curzon of Kedleston on July 1.

² No. 206.

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston (Received July 5)
No. 61 [C 13800/92/18]

My Lord:—

OPPELN, July 1, 1921

Within a few hours of the completion of my last despatch¹ I received word that Korfanty had signed an agreement to carry out the withdrawal of the insurgent forces in accordance with the plan of the Interallied Commission. General Hoefer was then asked to sign a similar document regarding the withdrawal of the German self-defence forces. He demurred at first on the ground that it was not possible for him to complete his first withdrawal, which was on a very large scale, on a single day, and he therefore proposed that he should be given two days. This would have involved the extension of the whole operation by one day and would have left the Poles for four days without further movement. I therefore asked General Heneker to append a note to the agreement to be signed by General Hoefer stating that it was understood that the German withdrawal might be begun on the day following the Polish withdrawal, and be continued, if necessary, into the day following that prescribed for the German movement, provided that the Germans had completed their withdrawal by 3 p.m. on the last-mentioned day. When I brought this proposal of mine before the Commission General Le Rond urged very strongly that the Poles would object to the extension of time given to the Germans to withdraw, and he undertook that the first Polish withdrawal would be completed by 5 p.m. on the day fixed for it, which would allow of the Germans beginning their withdrawal on the following morning, thus giving them the two days they required to complete it. This seemed not unreasonable and I accepted it, but unfortunately General Hoefer had already signed the agreement with my original note attached to it and had left his headquarters. General Heneker did not get into touch with him until late on Saturday night² and had great difficulty in persuading him to sign a fresh agreement with a new note. General Hoefer's objection was based on the fact that the new arrangements would imply that there had been no time allowed to the Germans to assure themselves that the insurgents had really withdrawn in compliance with their engagements, and it was only on the forenoon of Sunday that he gave way on receiving the personal assurances of General Heneker and myself that he would not be required to begin his movement on the date newly fixed for it unless he had received a definite statement from General Heneker that the Poles had withdrawn to the line fixed for them. Thus the negotiations which threatened to break down on a comparatively minor point were at the last moment brought to a satisfactory conclusion. This was in no small measure due to the indefatigable efforts and the patience of General Heneker and the great confidence which General Hoefer had in his personal good faith. I am certain that if I had not

¹ Not printed. The despatch, No. 60 from Oppeln to the Foreign Office, is dated July 1.

² June 25.

succeeded in getting the conduct of the negotiations with General Hoefler transferred from General Gratier to General Heneker and also in resisting the unreasonable demands which on several occasions General Le Rond wished to make on the Germans, and to make in a very peremptory manner, this plan of a peaceful settlement would have ended in failure.

The Commission has to-day issued a proclamation which follows, with a few slight modifications, a draft prepared by myself. I enclose copies of my original draft and of the French text as finally adopted.³ The decree granting an amnesty has been passed, and will be published as soon as the withdrawals are completed. A copy of that also is enclosed.³ It is not without significance that, although we had decided that persons found in unlawful possession of fire-arms should be excluded from the benefits of the amnesty, the original draft of the decree contained no provision to this effect.

The two initial movements of withdrawal by each side have now been completed, and though it is not impossible that some untoward incident may arise to check the smooth progress of subsequent movements, I am hopeful that the dissolution of the two opposing forces will be completed according to plan by the 5th July. There have already been incidents on both sides. The insurgents are alleged to have carried off hostages as well as property, and both they and the Germans are accused by each other of having returned to evacuated villages; but some at least of these acts may confidently be ascribed to lawless bands of brigands not directly connected with either of the opposing forces. My information goes to show that the country has always been infested by these gangs of dacoits, who were pithily described by my French colleague to-day as: '*une mauvaise habitude du pays*'. These gangs have no doubt taken part with one side or the other and have plundered under the cloak of Polish or German patriotism, but they will now return to their ancient independence and their suppression will be a task of no small difficulty.

It is improbable that we shall have any large measure of success in obtaining the surrender of the arms of the two forces as they are gradually dissolved, for concealment is easy. A party of Polish insurgents was surprised by British troops while attempting to bury a machine gun, but so far we have received little or no information either of the voluntary surrender of the arms or of their capture by Allied troops. The artillery and other heavy equipment will probably pass respectively into Poland and Germany; that going into the latter country will be seized under instructions issued by General Nollet's Commission of Control in accordance with the request addressed to General Nollet by General Le Rond.⁴ I have explained in my telegram to Lord Hardinge No. 182⁵ that that request was made by General Le Rond of his own motion, and without any consultation with, or authority from, the Commission. In so far as such arms and equipment may have been stolen from dumps in Germany which were in the constructive possession of the Commission of Control, the action of that body in seizing them as they are brought back across the frontier is entirely correct; but it is typical of

³ Not printed.

⁴ See No. 204.

⁵ No. 206.

General Le Rond's conception of his powers that he should have acted without reference to his colleagues and have put the request in the form of a demand, not for a recovery of stolen property, but for a general disarmament of the self-defence forces as they cross the frontier. How far such a general disarmament may be within the powers of the Commission of Control I am unable to say. The arms and equipment sent across the Polish frontier are almost certainly the property of the Polish Government, which it is to be hoped will resume possession of them and guard them effectually in future.

All the political prisoners taken by the two forces are now reported to have been surrendered through the good offices of the Red Cross Society of Geneva.

For the purpose of securing the return of property requisitioned by the insurgents we have set up a committee which has got into touch with organisations appointed by the insurgents for the liquidation of such requisitions, and it is hoped that a considerable quantity of such property will by this means be restored to its owners. A few days ago I had a visit from four German landed proprietors, who assured me that the country occupied by the insurgents had been stripped bare of horses and oxen, and that in consequence it will be quite impossible to reap and lift the coming harvest. My investigations have shown that these statements were grossly exaggerated and that there are no grounds for believing that the requisitions will have any such disastrous results, while there is evidence that restitution of horses and oxen by the insurgents has already commenced.

The sub-committee is also dealing with the restitution of the working of the railways into the hands of the Commission, which will be effected as the insurgents retire. Satisfactory progress has already been made.

The Commission has learnt that the insurgents hold some 300 prisoners charged with, or convicted of, offences against the common law. The Commission has decided that these prisoners shall on the 5th July be taken over by its Department of Justice, which will examine the case against each individual, release those against whom there is no ground for prosecution and hand over to the ordinary courts those who appear *prima facie* to be guilty.

Another Committee is dealing with the question of claims for compensation for damage resulting from the insurrection. It is drawing up a scheme for the investigation of all such claims and the assessment of the approximate amount of the damage done in cases which are proved. This task will be a very heavy one, and I doubt whether it will be completed within the life of the Commission. No decision has yet been reached as to the source from which compensation will be paid.

Your Lordship is aware that Lord Kilmarnock has consulted me on proposals made by Herr Erzberger for the establishment of an autonomous Upper Silesia under the League of Nations or other form of external control.⁶ The four German landed proprietors mentioned above made a somewhat similar proposal to me, and on the following day Prince Pless called upon me with the same object. His view, however, was that the control should

⁶ See No. 194.

be English, and he was very emphatic in asserting that any form of French control would be entirely unacceptable. The objections to this plan are:

- (1) That it does not seem to have any general support from the population of Upper Silesia;
- (2) That no satisfactory system of control could be established under the League of Nations unless that body is prepared to recruit a comparatively large local military force;
- (3) That the French would never agree to a purely English control, which moreover is not likely to be accepted by His Majesty's Government, since it would involve the retention in Upper Silesia of a large body of English troops;
- (4) That such an arrangement would merely postpone a decision regarding the fate of Upper Silesia for a period during which all the contending forces which have created so much disturbance and bitter feeling since 1919 would continue their activity; and
- (5) That it is in direct conflict with the provisions of the Treaty of Versailles.

I have been examining the material available for coming to a decision under the Treaty, and I propose early next week to ask the Commission to discuss the general principles upon which such a decision must be based. If any progress towards unanimity is reached during this discussion we shall proceed to an endeavour to apply the principles, and I hope by the end of the week to inform Your Lordship whether there is any likelihood of even an approximate agreement being obtained.

I have also been examining the question of the withdrawal of the Commission after the Supreme Council has given its decision. In my view it is of great importance that that withdrawal should take place as speedily as possible. The Treaty allows a maximum period of one month, but for the German withdrawal only fifteen days was granted, and I do not think that a longer period should be necessary for the countermovement, while I hope that it may be possible to complete it in even a shorter time.

I am glad to be able to inform Your Lordship that the relations between the British and French have become more satisfactory. Last Sunday General Heneker and I gave a large garden party, to which we invited as many Allied officers and their families as possible, while British and French regimental bands and representative detachments from Allied military forces were also present. I am assured, and General Heneker's information is to the same effect, that this demonstration of Allied friendship and cordiality came as a great surprise to the German population, and has done not a little to convince both Poles and Germans of the solidarity of the *Entente* in Upper Silesia. In furtherance of this object, at the sitting of the Commission to-day I urged that General Gratier's proposal to keep each of the three Allied forces within its own zone and under its own command should be negatived, and that, on the other hand, while the bulk of the troops under each commander would be those of his own nation, each force should contain one or more substantial

units of the other two armies, my object being to show clearly that the three Allies were acting together and that attempts to separate them would be futile. My views received the cordial agreement of my colleagues. I have not yet succeeded in carrying a further proposal made by me for a more equal division of the district controllerships within the industrial triangle, but I hope to obtain assent to this change early next week.

I enclose the usual diary of events.⁵

I have, &c.,
HAROLD STUART

⁵ Not printed.

No. 209

The Marquess Curzon of Kedleston to Sir M. Cheetham¹ (Paris)

No. 364 Telegraphic [C 13360/92/18]

Urgent

FOREIGN OFFICE, *July 4, 1921, 3.45 p.m.*

Your telegram No. 433 and Oppeln telegram No. 240² (of June 29th and 30th. Disarmament of Germans and Poles in Upper Silesia).

Disarmament of Germans arriving in Germany proper from Upper Silesia is matter coming in ordinary course before Military Control Commission under clause of treaty of Versailles and should be treated accordingly.

It would however be inequitable if nothing were done to ensure similar disarmament of Polish insurgents who cross back into Poland and I would suggest that joint representations should be made by British, French, and Italian representatives at Warsaw to the effect that in the interest of peace and in order to facilitate task of Polish Government in preventing recurrence of insurrection it is incumbent upon them to obtain possession of all arms carried by Polish insurgents when they cross the frontier into Poland.³

Repeated to Berlin No. 171 and Oppeln No. 100.

¹ H.M. Chargé d'Affaires at Paris, July 4-28.

² Nos. 204 and 206 respectively.

³ In a private letter of July 7, Mr. Tufton informed Sir M. Cheetham that in view of the information conveyed in No. 213 below, 'representations at Warsaw would now be superfluous'.

No. 210

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received July 5, 9.40 a.m.)

No. 245 Telegraphic [C 13782/92/18]

OPPELN, *July 4, 1921, 11.30 p.m.*

Following sent to Paris No. 184 of 5th July.

Your telegram No. 42.¹

Action contemplated by Commission of Control does not conflict with

¹ The reference was to the repetition to Oppeln of No. 207.

agreement with General Hoeffler and I think that in view of circumstances reported in your telegram no useful purpose would now be served by requesting a revision of instructions given to Control Commission.

Addressed to Paris No. 184 repeated to London and Berlin.

No. 211

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received July 5, 3.30 p.m.)

No. 247 Telegraphic [C 13806/92/18]

OPPELN, July 5, 1921, 12 noon

At a meeting of Commission on July 1st I pointed out that not a kreis in industrial triangle had a British controller and pressed for more equal distribution. After some discussion I said that I would bring matter up today. When I did so General Lerond agreed to substitute British controller for a French controller at Königshütte but I pressed for more than this and eventually succeeded in getting Beuthen rural and also in substituting an Italian for a French controller at Gleiwitz rural. These changes especially as they are made at this moment will create useful impressions.

There are now British controllers at Kreuzburg, Rosenberg, Lublinitz, Tarnowitz, Beuthen rural, Königshütte and Italian at Gleiwitz rural, Gross-stre[h]litz, Rybnik, Ratibor, Leobschutz and Oppeln rural.

Repeated to Paris, Berlin and Warsaw.

No. 212

The Marquess Curzon of Kedleston to Sir H. Stuart (Oppeln)

No. 101 Telegraphic [C 13649/92/18]

Confidential

FOREIGN OFFICE, July 5, 1921, 6 p.m.

Your telegram No. 244 (of July 3rd. Command of the troops in Upper Silesia).¹

The nationality of the commander of troops in each plebiscite area was definitely fixed by Supreme Council in October 1919.² It is consequently not possible now to suggest replacement of French Commander-in-Chief by British officer, without breach of understanding then arrived at.

In view of the opinion of General Gratier's ability expressed by General le Rond not only now but last September he might be disposed to urge on the French Government his replacement by an officer of greater seniority, and you may, if you consider it desirable, suggest such a course to him privately.

¹ Not printed. In this Sir H. Stuart said he had discovered that General Heneker was senior to General Gratier and had urged that he should therefore have the supreme command of the Allied forces in Upper Silesia.

² See Vol. II, No. 2, minute 1 and Appendix A.

No. 213

Mr. Max Muller (Warsaw) to the Marquess Curzon of Kedleston
(Received July 6, 4.30 p.m.)

No. 332 Telegraphic [C 13805/92/18]

WARSAW, July 5, 1921, 8.5 p.m.

General Szeptycki, whom I saw yesterday at Cracow, assured me that he is taking most energetic measures to disarm insurgents withdrawing from Upper Silesia into Poland.¹ He said that presence of these armed bands in Poland constituted a grave danger as many of their members had nothing to live on but plunder. That very morning he had had to despatch an armoured train to enforce disarmament and disbandment at a point where danger was particularly threatening.

I told him of satisfactory results of frontier inspection by allied officers.² He expressed pleasure but not surprise in view of considerable number of troops which he was employing for guarding frontier.

I have little doubt that this strengthening of frontier guards is the explanation of constant rumours of concentrations of Polish troops on Upper Silesian frontier.

Repeated to Paris, Berlin and Oppeln.

¹ See No. 209.

² See Nos. 199 and 205.

No. 214

Memorandum by the Chief of the Imperial General Staff¹ on the military position in Silesia

[C 14313/92/18]

July 8, 1921²

From Sir H. Stuart's telegram No. 249, 6th July, it appears that the final withdrawal, both of the Polish insurgents and of the German forces, has now been completed.³

It may be taken, therefore, that the object for which British troops were sent to Upper Silesia, viz., the re-establishment of the authority of the Inter-allied Commission, has now been achieved.

In these circumstances, I suggest that General Heneker's force[s] be now withdrawn to the Rhine, where they will be readily available in the event of future disturbances rendering it necessary again to send troops to Silesia. Unless the British contingent is withdrawn now, I see every probability of their being kept in Silesia until well into the autumn, or even longer. For

¹ Field-Marshal Sir H. Wilson, see No. 12, n. 3.

² This document was discussed in the Foreign Office on July 12.

³ Not printed. In the telegram Sir H. Stuart stated that: 'Reports show that final withdrawal of both insurgents and German forces was carried out completely yesterday.'

it must obviously be some weeks or even months before a final decision as to the Silesian frontier can be given, and whatever that decision may be we may rest assured that it will be extremely unpopular with the malcontents on each side, and a period of great unrest will ensue, during which it would be impossible to withdraw Allied troops. On the other hand, from the present moment until the decision is promulgated, there is likely to be a period of quiescence, in view of the fact that the glamour of the insurrectionary movement has died out, and the harvest which is now about to begin is likely to absorb the superfluous energies of the more turbulent elements.

I would therefore urge that the present favourable opportunity may be seized to wind up our commitments in this area.⁴

⁴ Following a minute of July 12 by Major Ottley in which he stated that it was 'manifestly most undesirable to withdraw the British troops again until the country has been really pacified and handed over' and that it was understood that Sir Henry Wilson's suggestion would 'not be pressed, having been made at a time when the question of reinforcing Ireland was under consideration', Lord Curzon commented: 'It is out of the question.'

CHAPTER II

The Reference of the Question of Upper Silesia to the Council of the League of Nations July 9, 1921—November 2, 1922

No. 215

Mr. Max Muller (Warsaw) to the Marquess Curzon of Kedleston
(Received July 10, 4.10 p.m.)

No. 336 Telegraphic [C 14041/92/18]

WARSAW, July 9, 1921, 8.30 p.m.

Oppeln telegram 226 to Foreign Office.¹

Polish Government has addressed note to French and Italian Ministers and myself stating that insurrectionary movement has been successfully liquidated and complaining that Polish population in pacified districts is deprived of any effective means of protection against the numerous acts of violence of Germans.

Polish Government fears that these incidents may again arouse public opinion and requests us to urge our Governments immediately to instruct their representatives at Oppeln to expedite organisation of a police force such as would inspire confidence in the population.

My colleagues are telegraphing in same sense to their Governments.

Repeated to Berlin and Oppeln.

¹ No. 191.

No. 216

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received July 10, 9 p.m.)

No. 256 Telegraphic [C 14033/92/18]

Very urgent

OPPELN, July 10, 1921, 1.50 a.m.

On July 4th I proposed Commission should begin to consider whether we could come to agreement about the frontier in Upper Silesia between Poland and Germany and start discussion. I handed over [to] my colleagues a memorandum setting forth twelve general principles. General le Rond sent me a reply to this memorandum on the night of 6th instant and we discussed both

documents the next day.¹ It even became clear that le Rond adhered in full to position taken up in report of February 20th [*sic*].² Accordingly I proposed that we should inform our respective Governments. But after some hesitation le Rond asked that matter be adjourned. We considered it again this morning³ and finally at a sitting tonight, which has just been concluded. De Marinis proposed first Sforza line⁴ as a basis of discussion on understanding that all to west of it was to be given to Germany and definitely excluded from discussion. Le Rond refused to agree and also objected that his proposal[s] regarding economic control and payment of reparations by Poles are excluded and we finally decided on a communication to our respective Governments of which text is given in my immediately preceding [succeeding] telegram.⁵

At discussion this morning de Marinis proposed that frontier line should be fixed at once but that whole industrial area—the partition of which he contemplated—should be placed under international control for a number of years with a view to giving time for necessary economic and industrial adjustments. I failed to ascertain whether this proposal originated with himself or had been suggested by his Government but I said that I could not accept it as it went beyond terms of treaty.

I am sending by bag tonight copies of my memorandum, le Rond's reply and my rejoinder.⁶

I desire to lay stress on importance of a very early decision by Supreme Council.

At present political feeling is on the ebb and harvest operations have just begun; it is therefore a singularly opportune moment for announcing decision and carrying it into effect.

Repeated to Paris, Berlin and Warsaw.

¹ The text of both these documents was forwarded to Lord Curzon under cover of Sir H. Stuart's despatch No. 64 of July 9. This despatch, which gave a fuller account of the discussions in the Plebiscite Commission, and its enclosures are not printed.

² The correct date, April 30, was given by Sir H. Stuart in his despatch No. 64 of July 9. For le Rond's report, see *Wambaugh*, vol. II, pp. 243–50.

³ This telegram was drafted on July 9.

⁴ See No. 109.

⁵ No. 217, below.

⁶ See n. 1.

No. 217

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received July 10, 11 p.m.)

No. 259 [257]¹ *Telegraphic* [C 14035/92/18]

OPPELN, July 10, 1921, 1.50 a.m.

Following is text of communication which members of commission decided to-day to address to their respective Governments and to which I refer in my immediately preceding telegram.²

¹ This telegram, despatched as No. 257 from Oppeln, was wrongly entered as No. 259 in the Foreign Office files.

² No. 216.

Begins.

The members of commission after an exchange of views, feel that there is no probability of their reaching a unanimous decision on question of frontier between Germany and Poland. They consider on the other hand that local conditions require that the position of uncertainty about the fate of the country which has now existed for so long should be terminated as soon as possible. And they therefore trust that decision of Supreme Council will be given at an early date.

Repeated to Paris, Berlin and Warsaw.

No. 218

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston

(Received July 11, 11.30 p.m.)

No. 362 Telegraphic [C 14220/92/18]

BERLIN, July 11, 1921, 1.40 p.m.

Chancellor, who is usually buoyant, has returned from Lower Silesia very pessimistic. He found people there nervous and depressed—dissatisfied with what Government had achieved—alarmed at (? obligation) Government had assumed and frightened by tales from Upper Silesia that decision of Commission would be unsatisfactory to Germany.

He sent Rathenau¹ to me last night and is coming himself on Monday.² They have apparently been discussing together whether Government had not better resign without meeting Reichstag again.

Fundamental cause of this nervous agitation is anxiety about Upper Silesia hearing decision.

This question has become in mind, not only of Government, but of whole public, a veritable obsession which disturbs all perspective and relativity.

Coming to (? specific) requests Rathenau urged that next meeting of Supreme Council should be in London not Boulogne as then Germany could have a representative close at hand who would be able to reply to French eleventh hour evidence. He is (? convinced) France will bring forward at last moment some new fact of some (? new) . . .³ swing verdict.

I told him that in my judgment it was quite doubtful whether what he asked was in Germany's interest but I would refer request home.

Speaking more generally, I saw no special cause for pessimism; indeed rather the contrary. Evacuation of Paris by Chamber was more immediately important than any evacuation of Duisburg by French troops⁴ and Chamber (? was) going to-morrow.

As regards Upper Silesia, I knew nothing of any proposed decision but felt convinced that fullest consideration would be given to German cause. It was absurd to suppose that le Rond would have undue influence over Commission.

¹ Dr. Walther Rathenau was the German Minister for Reconstruction.

² Presumably July 11.

³ The text is here uncertain.

⁴ See No. 203, n. 1.

British Commissioner had shown great vigour and independent judgment and would undoubtedly exercise his full authority without fear or favour.

His Majesty's Government fully realized that fate of present German Government depended upon an acceptance of solution in Upper Silesia. I myself was convinced of this and had so reported on more than one occasion.

Interview ends.

We have to deal with one of those periodical crises of pessimism or of hypochondria to which this country is subject. Perhaps Your Lordship can suggest some better arguments than those I adduced or prescribe some drug at once tonic and sedative. It is undeniably most important to keep present German Government going and to prevent the country collapsing into policy of despair through nervous depression of [*sic*] disappointment.

Repeated to Oppeln.

No. 219

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 11, 10.15 p.m.)

No. 472 Telegraphic [C 14209/92/18]

PARIS, July 11, 1921, 5.50 p.m.

I asked M. Berthelot yesterday what news French Government had lately received from Upper Silesia with regard to possibility of Commission submitting a fresh report. This was, of course, before I had seen Sir H. Stuart's telegrams Nos. 256 and 257.¹

M. Berthelot had no particular information, but he stated that if Oppeln Commission decided that they were unable to draw up an unanimous report, there would be plenty of time for proposed allied committee of experts to make a report for discussion by the Supreme Council. He explained that he had heard—I gather officially—confirmation from London that His Majesty's Government would be busy with Dominion Premiers until 21st July.² By that time it should be possible to arrange for a meeting of Supreme Council to be held at Boulogne, at some date before the end of the month.

From these remarks of M. Berthelot, I obtained the impression that if the Commission cannot submit a fresh report, the French Government hold the view that the Supreme Council should, before discussing Upper Silesian question, have before them a report by allied committee of experts, which they have always pressed for.

M. Berthelot seemed to assume that Your Lordship had consented to meeting of such an expert committee if Commission were unable to draw up a fresh report. I said that I thought Your Lordship had only agreed, in above contingency, to consider the question of setting up an expert committee.

M. Berthelot also apparently took for granted that such an expert committee would sit in Paris.

¹ Nos. 216 and 217 respectively.

² The Imperial Conference met in London from June 20 to August 5, 1921.

No. 220

The Marquess Curzon of Kedleston to Sir M. Cheetham (Paris)

No. 390 Telegraphic [C 14209/92/18]

Urgent

FOREIGN OFFICE, *July 12, 1921, 2.45 p.m.*

We are very doubtful whether an expert committee, composed as M. Briand suggests and sitting at Paris, or elsewhere, will really advance matters or arrive at definite conclusions, where the Silesian Commission itself has failed. Further, we are reluctant to interpose what might be an inconvenient delay in meeting of Supreme Council. If, however, M. Briand attaches great importance to summoning of such a body, and if he is prepared to guarantee that it will report by July 24th, in time for meeting of Supreme Council after that date, we will conform to his desires by sending legal and diplomatic experts from London and an engineering or economic expert from British Commission in Silesia. They could be in Paris before beginning of next week.

The French Government will presumably communicate with Rome to secure the appointment and attendance of Italian experts.¹

Addressed to Paris No. 390, repeated to Rome No. 303 and Oppeln No. 106.

¹ The contents of this telegram were communicated by Sir M. Cheetham to the French Political Director of Foreign Affairs on July 13.

No. 221

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received July 14, 3.40 p.m.)

No. 261 Telegraphic [C 14397/92/18]

OPPELN, *July 14, 1921, 12.30 a.m.*

Your telegram No. 106.¹

I am much concerned to learn that decision of Supreme Council is likely to be delayed. Situation here is unstable and, if uncertainty is prolonged beyond period of harvest, I must press strongly for another British brigade of full strength. One British battalion is worth three French or Italian, for both Germans and Poles know that British troops will shoot impartially anyone who resists lawful authority and this has a very sobering effect on promoters of rebellion. With another brigade we could take over more of industrial area and ensure that French acted against any insurgents in that area whether local or from across Polish frontier. Moreover, if there is another Polish rising, in the present circumstances German Self-Protection force will be re-constituted quickly, and under a leader already designated more truculent than Hoeffler and this time it will advance rapidly into Polish districts and come into conflict with French, who will gladly turn their arms against Germans instead of against insurgents. On the other hand if Germans see British troops

¹ No. 220.

are strengthened as proposed, our influence with them will be sufficient to keep them under control.

I hoped that as a result of my telegrams Nos. 256 and 257² Supreme Council would meet somewhere about July 16th and that we could begin to bring in German and Polish troops and police by July 20th. No useful purpose can be served by any committee of experts. A settlement can be reached only by a body competent to take a final decision.

I have read this telegram to Heneker who concurs fully.

Repeated to Paris, Berlin and Warsaw.

² Nos. 216 and 217 respectively.

No. 222

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received July 15, 11.40 a.m.)

No. 264 Telegraphic [C 14435/92/18]

OPPELN, July 14, 1921, 11.10 p.m.

I communicated to my colleagues to-day purport of my telegram No. 261¹ to Your Lordship and le Rond then informed me that he had addressed a somewhat similar communication to his Government and had asked for an additional French Division. We are all agreed upon:

1. Seriousness of situation.
2. Necessity of an immediate decision by Supreme Council.
3. An increase of allied forces.

Marinis said he would ask for more Italian troops but has little hope of getting them.

¹ No. 221.

No. 223

The Marquess Curzon of Kedleston to Sir G. Buchanan (Rome)

*No. 597 [C 14492/704/22]**

FOREIGN OFFICE, July 14, 1921

....¹

The Ambassador then turned to the question of Upper Silesia, about the latest phase of affairs in which region he appeared to be insufficiently informed.

I gave him the history of recent events, culminating in the request from his Government that the impending meeting of the Supreme Council should not

¹ The paragraphs omitted from this report of a conversation on July 14 between Lord Curzon and the Italian Ambassador in London [Signor de Martino] related to Montenegro, Afghanistan, and Albania.

be held till the beginning of August for parliamentary reasons. I said that the meeting would afford a good opportunity for demonstrating the renewal of the common action which he had repeatedly indicated the desire of his Government to promote. We should probably have great difficulty in settling the Silesian question at all. In the earlier stages the Italian representative on the Allied Commission, General de Marinis, and the British representative had been united in their action, but in the latter part of Count Sforza's time there had been a tendency to strike out an independent Italian line.² No solution of any sort was likely to be reached if the Allied Commissioners all presented different reports and if the representatives of the Supreme Council all advocated different courses. The only way to a settlement was by common action on the part of Italy, Japan and ourselves. In the interval before the meeting I urged the Ambassador to press this consideration upon his Government. . . .¹

² On July 4, 1921, a new Italian Government had been formed under Signor Bonomi, with the Marquis della Torretta as Minister for Foreign Affairs.

No. 224

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston (Received July 21)

No. 67 [C 14793/92/18]

OPPELN, July 16, 1921

My Lord Marquess,

I have little to add to what I have already communicated to Your Lordship by telegram on the subject of the failure of the Commission to come to a unanimous decision about the frontier to be fixed between Germany and Poland in Upper Silesia.¹ General de Marinis was clearly disappointed by the decision not to make any further attempt to reach unanimity and he asked that the reasons why unanimity was impossible should be recorded, with a view to their publication. I was unable to support him in this matter, as it seemed to me it would be a mere waste of time to put once more on paper the arguments which found expression in the reports already submitted by General de Marinis and Colonel Percival on the one hand and General Le Rond on the other. Moreover, any official publication of the divergence of view in the Commission did not seem to me to be desirable, since it would be likely to emphasise still further the sharp division, already sufficiently mischievous in its consequences, between the Allied authorities here.

The proposal of General de Marinis, which I have reported by telegram, to fix the frontier and then place the industrial area under Interallied control for a fixed number of years in order to give time for the adjustment of industrial interests, did not commend itself to me for several reasons. In the first place I was not prepared to assent to any division of the industrial area such as his proposal implied. In the second place I am convinced that any international control in which the French took part would merely continue the

¹ See Nos. 216 and 217.

present state of irritation and unrest, while the exclusion of the French would undoubtedly have been resisted and resented by that Government.

Finally, I have been greatly influenced by the steadily growing conviction that a very early decision is imperative in the interests both of the Allies and of the population of Upper Silesia—a conviction which receives fresh confirmation every day.

I made no communication to the Commission of my own views on the subject of the frontier, but I have embodied them in a memorandum of which a copy is attached to this despatch.² For the reasons stated therein I am opposed to any division of the industrial area, and would not even transfer to Poland those small portions which General de Marinis and Colonel Percival were ready to surrender.³ On the other hand, I think larger concessions might be made to Poland in the rural area to the north of the town of Tarnowitz and extending north-westwards into the *Kreise* of Tost Gleiwitz and Gross Strehlitz, and including the whole of the *Kreis* of Lublinitz except the small portion around Guttentag. The close proximity of this frontier to the Oppeln-Beuthen railway may be a military objection, but General Heneker, whom I consulted, does not attach much importance to it. I attach a copy of a map⁴ showing the line proposed above.

Although my view of what would be a just and proper line on the basis of the conditions laid down by the Treaty of Versailles is quite clear, I recognise that His Majesty's Government, in order to obtain a decision by the Supreme Council, may be obliged to make concessions to the opinions of the other members of the Council, and that these concessions would be in the direction of the line proposed by Count Sforza. If this is so I venture to urge that the line dividing the industrial area between Poland and Germany should run from a point on the Polish frontier a little east of Kamin, southwards to the west of Gross Dombrowka, Michalkowitz, Bittkow, Kolonie Wenzlowitz, Kolonie Bedersdorf and Zalenze, and then south of west to the point of the salient made by the boundary of the *Kreis* of Pless north of Ellgoth. This is the only part of the industrial area where an international frontier can be traced without serious physical difficulties. The strong economic objections to such a frontier remain, but it would, I think, while disappointing the hopes of both parties, give just sufficient to each to prevent any serious violent reaction.

Up to the time of writing this despatch I have received no further communication from Your Lordship about sending an expert to Paris, but I have ordered Mr. [*sic*] Clarke to be ready to start at a moment's notice.⁵

I have, &c.,

HAROLD STUART

² Not printed.

⁴ Not reproduced.

³ See No. 26, n. 4.

⁵ In his telegram No. 107 of July 12, not printed, Lord Curzon had instructed Sir H. Stuart to recommend an economic expert. Sir H. Stuart nominated Major Clarke.

*The French Ambassador to the Marquess Curzon of Kedleston**(Received July 16)**[C 14772/92/18]*FRENCH EMBASSY, LONDON, *July 16, 1921*

Les renseignements très précis et détaillés du Général Le Rond et les communications instantes du Gouvernement polonais ne laissent aucun doute sur le caractère de plus en plus menaçant de la situation en Haute Silésie du fait des Allemands en raison de la non livraison des armes et du maintien des bandes allemandes sur le territoire plébiscitaire même ou à ses portes et sur le risque d'une action brutale en Haute Silésie, soit avant toute notification d'une décision des Puissances, soit aussitôt après, si l'Allemagne n'obtient pas entière satisfaction. Les déclarations incroyables et les provocations directes du Général Hoeffler viennent confirmer la violence de l'attaque préparée en Haute Silésie.

Sur le territoire même du plébiscite, les attentats allemands spécialement dirigés contre les troupes et les fonctionnaires français se multiplient et la situation est de plus en plus inquiétante. Le 4 Juillet, le Commandant Montalègre a été traîtreusement assassiné à Beuthen.¹ Le 8 Juillet, à Ratibor, un contrôleur adjoint français a été attaqué dans son hôtel et n'a échappé qu'en se barricadant dans sa chambre. Le 12 Juillet, le Capitaine français Lux a été attaqué dans sa maison par un certain nombre d'hommes armés; à Oppeln, le Lieutenant Duval a été frappé d'un coup de poignard mais a pu se dégager sans être blessé et une bombe a été jetée près de l'hôpital; un magistrat français faisant fonctions de juge d'instruction, M. Schaedelin, a été assailli, dépouillé de son portefeuille et de ses papiers, frappé violemment, sans que la police voulût intervenir.

La multiplication de ces attentats est significative: les arrestations ont établi que les auteurs de ces crimes sont des membres des Freikorps étrangers à la région. Les formations d'autoprotection n'ont été désarmées et licenciées qu'en apparence: sur 40,000 hommes, il a été constaté que 10,000 seulement appartenaient au pays; 10,000 autres ont été répartis par groupes et dissimulés sur place; sur les 20,000 qui ont été évacués, le plus grand nombre est resté en moyenne et en Basse Silésie, les étudiants étant renvoyés dans leurs foyers, mais prêts à accourir au premier appel et une fraction envoyée en permission de quelques jours. Ainsi, les bandes allemandes restent à pied d'œuvre, soit sur le territoire du plébiscite, soit à ses portes. Les noyaux des bataillons qui avaient été formés en service d'armée non seulement n'ont pas été dissous, mais continuent à être augmentés. Le Commandement reste sur

¹ Major Montalègre was killed during a demonstration marking the arrival of British forces at Beuthen. In his telegram No. 303, of July 31, not printed, General Heneker reported 'I am informed that murderer of Major Montalègre was captured by Major Keating[e] himself at five this morning and that to-day culprit has made a full confession. He is a German Upper Silesian and belonged to a small society, object of which was murder of French officers.' The murderer, Joschke, escaped in January 1922, but was later recaptured.

place et le Général Hoefer est à Brieg. Les armes n'ont pas été rendues aux officiers de contrôle qui n'ont pu mettre la main que sur 250 fusils et une mitrailleuse hors de service, lorsque 20,000 hommes étaient dotés de l'armement moderne. Ainsi, les organisations d'auto protection conservent leurs armes, maintiennent leurs effectifs et se tiennent prêtes à intervenir au premier signe. La responsabilité antérieure et présente du Gouvernement allemand, que le Gouvernement français n'a pas cessé de signaler, reste entière en raison de la tolérance du recrutement, des transports et de l'armement des troupes [troupes] d'auto protection, de leur concentration et de leur maintien en Haute Silésie.

Dans ces conditions, le Gouvernement français, sous la pression de la menace allemande, ne peut songer, et est convaincu que ses Alliés ne sauraient davantage penser, à arrêter après un examen superficiel de quelques jours, par une commission d'experts, une solution définitive de la question de Haute Silésie qui provoquerait immédiatement l'attaque d'une véritable armée insurrectionnelle organisée allemande, à laquelle répondrait sans aucun doute une action défensive polonaise. Les Gouvernements alliés se trouveraient alors entraînés dans des événements de guerre, car ils ne pourraient laisser violer le traité de Versailles et enfreindre leur décision. Le Gouvernement français qui a, sur le désir de ses Alliés, assumé les responsabilités essentielles par le nombre des troupes et des fonctionnaires qu'il a envoyés en Haute Silésie et la présidence de la commission alliée, a pris des dispositions en raison de la gravité de la menace allemande, pour envoyer immédiatement une division de renfort en Haute Silésie afin d'assurer le maintien de l'ordre et de parer au danger imminent.

L'Ambassadeur de France à Berlin a été chargé d'attirer sur les faits énumérés ci-dessus la plus sérieuse attention du Gouvernement allemand, en le mettant en demeure de prendre toutes les mesures en son pouvoir pour réaliser la dispersion des éléments de Selbstschuts [*sic*] et des Freikorps étrangers à la Haute Silésie et maintenus à proximité, et, d'une manière générale, de prendre toutes dispositions pour que les décisions des Alliés et les stipulations du traité de Versailles puissent être mises à exécution sans rencontrer d'opposition. En cas d'envoi de renforts il y aura lieu pour le Gouvernement allemand de préparer les dispositions nécessaires pour leur transport rapide en Haute Silésie.

Le Gouvernement français serait heureux si le Gouvernement britannique voulait bien prescrire à son Ambassadeur à Berlin de se joindre à son collègue français pour intervenir auprès du Gouvernement du Reich.

D'autre part, l'Ambassadeur de France serait reconnaissant à Son Excellence le Principal Secrétaire d'Etat de Sa Majesté aux Affaires Etrangères de vouloir bien lui faire savoir, aussitôt que possible, si, de son côté, le Gouvernement britannique est disposé, comme le Gouvernement français, à augmenter le nombre de ses troupes en Haute Silésie.

Le Comte de Saint-Aulaire saisit, &c.

The French Ambassador to the Marquess Curzon of Kedleston¹

[C 14771/92/18]

FRENCH EMBASSY, LONDON, July 16, 1921

Le Chargé d'Affaires de Grande-Bretagne à Paris est venu faire savoir à M. Briand que Lord Curzon était disposé à envoyer des experts participer aux travaux d'une commission technique à Paris dès le début de la semaine prochaine, sous la réserve que le rapport de cette commission serait prêt le 24 Juillet et que le Conseil Suprême pourrait se réunir dès le lendemain pour prendre une décision définitive sur la question de Haute Silésie.²

Dans un délai aussi court, il est impossible d'envisager une solution immédiate et improvisée de la question de Haute Silésie. Elle entraînerait certainement les Puissances à des complications internationales pouvant aller jusqu'à la guerre, si le Gouvernement allemand ne se décide pas à mettre fin une fois pour toutes aux provocations et aux organisations militaires constituées en Haute Silésie même et à ses portes, et tant que le maintien de l'ordre sur le territoire du plébiscite avant et après la solution n'aura pas été assuré par l'envoi du puissant renfort que le Gouvernement français est prêt à diriger sur la Haute Silésie. Les Alliés ont été d'accord sur la nécessité de rétablir l'ordre et la sécurité en Haute Silésie avant d'arrêter la décision en conseil suprême, celui-ci ne pouvant agir sous la pression et la menace ou polonaise ou allemande. La situation reste la même du fait de l'attitude et des préparatifs allemands, et il est indispensable de la régler tout d'abord. D'ailleurs, la session parlementaire très chargée, qui vient de se terminer, met M. Briand, comme le premier ministre anglais, dans la nécessité de prendre quelques jours de repos.

Désireux cependant de répondre dans toute la mesure possible à la demande de Lord Curzon, M. Briand est disposé à réunir dans le délai le plus court à Paris la Commission d'experts qui a été envisagée. Cette commission pourra préparer à loisir un dossier et des éléments d'appréciation en vue d'une solution commune. La Commission approfondira le problème et se trouvera en mesure soit de proposer une solution qui, si elle était commune, permettrait d'aboutir très rapidement, soit de fournir en tout cas aux Puissances des éléments d'appréciation complets.

¹ This document was considered in the Foreign Office on July 18, but was not received in the registry until July 20.

² See No. 220, n. 1.

No. 227

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received July 17, 4 p.m.)

No. 373 *Telegraphic* [C 14512/92/18]

BERLIN, July 17, 1921, 1.25 p.m.

French Ambassador yesterday made sharp representations from his Government to German Government declaring that dangerous situation exists in Upper Silesia owing to attitude of Germans and making extensive allegations as to continuance of German self-defence organisations, non-surrender of their arms, &c. Recent attacks on French officers and officials were cited, and it was indicated that French Government had decided to send immediately further division to Upper Silesia. French Ambassador also demanded verbally that Germany should take all necessary measures.

1. To disarm self-defence corps, to dissolve them and to remove them from vicinity of frontier.
 2. To prevent resistance being offered to decisions of Allies, and to carrying out of Peace Treaty.
 3. To facilitate rapid transport of any reinforcements which may be sent to Upper Silesia.
- Repeated to Oppeln.

No. 228

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 18)

No. 494 *Telegraphic: by bag* [C 14520/416/18]

PARIS, July 17, 1921

Until within the last few days, the French Government and the Governmental press seemed to be in favour of the Supreme Council meeting this month to settle the Silesian question, which would brook no further delay. M. Berthelot voiced this view in his conversation reported in my telegram No. 472 of July 11th.¹

Since then as Your Lordship is aware the French Government have gone to the other extreme and now are trying to postpone indefinitely the settlement of the Silesian problem. With this object in view they have eagerly grasped at the various incidents which have recently occurred, to urge that the Supreme Council cannot take a decision under the threat of a German invasion of Upper Silesia. They have likewise seized upon the alleged unwillingness of the Prime Minister to forgo his holiday in August, to argue that the Supreme Council will not be able to sit for some time to come, even if the present German threat is removed.

The reason for this sudden return of the French Government to their

¹ No. 219.

former policy of procrastination must I think be sought for in the action of the United States Government in summoning an international Conference for the autumn.² Public opinion has fastened on the Washington Conference as a way of escape from the present deadlock in Franco-British relations, and unfriendly papers, such as the *Matin* rejoices [*sic*] at the prospect of Great Britain being called to order, being placed on the defensive and eventually threatened with isolation. It is evidently hoped in many circles that France by playing off the United States against Great Britain at the Conference, will be able to exact the consent of the latter, and possibly the support of the former, to her German policy, including her solution of the Silesian problem. In fact France will be able to reconquer her liberty of action which Great Britain has hitherto denied her.

It is difficult to say how far the French Government hold these views, but having regard to their parliamentary situation they have probably decided not to commit themselves to any compromise or concession which Parliament, buoyed up by their present hopes, would on its reassembly refuse to ratify.

In the meanwhile nothing is being neglected which may be calculated to flatter the United States Government, and the arrival of the new United States Ambassador³ has been turned by the Government and press into a demonstration of Franco-American solidarity.

It is interesting to note that 'Pertinax' in the *Echo de Paris* is at present the only writer who acknowledges that the Imperial Conference and the Washington Conference may have the effect of detaching Great Britain more and more from European affairs, thereby leaving France to face Germany alone.

² See Vol. XIV, Chap. VI.

³ The new U.S. Ambassador at Paris, Mr. Herrick, had presented his credentials to the French President on July 16.

No. 229

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 18)

No. 495 Telegraphic: by bag [C 14521/92/18]

PARIS, July 17, 1921

My despatch No. 2050 of July 17.¹

Though I have as yet no confirmation from military authorities, my information from the French Ministry of Foreign Affairs is that a French division is in readiness to start for Upper Silesia so soon as the French proposals shall have received the assent of the Allied Governments.

I was also told by the Political Director that in spite of the fact that Italy is not anxious to send troops, he thinks, as the result of an interview with the Italian Ambassador this morning, that the despatch of a small Italian force is not excluded.

¹ Not printed.

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received July 20, 10.30 a.m.)

No. 267 Telegraphic [C 14770/92/18]

OPPELN, July 19, 1921, 12 noon

In view of report of (? French) note to German Government¹ which appeared in German newspapers this morning² I proposed to my colleagues that we should send identic telegrams to our Governments and offered draft which follows. General le Rond was unable to accept this and we eventually accepted draft by him of telegram to Conference of Ambassadors given in my immediately following telegram:³

Draft begins

On July 14th I telegraphed to Your Lordship that members of Commission were all agreed upon:

1. Seriousness of situation.
2. Necessity for immediate decision by Supreme Council and
3. An increase of Allied forces in Upper Silesia.⁴

We feel it is desirable to amplify these statements, and we have agreed on the following communication to our respective Governments.

As regards the first statement of July 14th situation is as follows:

Insurgent and German forces no longer exist as organised bodies but a large proportion of their elements still remain in Upper Silesia and we believe that their arms are for the most part concealed here. We understand from Colonel Liddon of Commission of (? Control) that (? that) Commission has captured on German frontier only 24 machine guns, about 500 rifles and some rifle ammunition. We have no information that any arms and ammunition were seized by officials of Polish Government on frontier between Poland and Upper Silesia. British troops in insurgent area have captured insignificant quantities of arms there, but none have been . . .⁵ and we have no doubt that many arms are concealed in insurgent area. We are of opinion that if decision of Supreme Council seriously disappoints Polish expectations which are large (? there is) (? a) (? grave) risk of a fresh insurrection by people of Polish sentiments and we believe that if such an outbreak occurred and appeared to have any prospect of success, German self-protection force would be quickly reconstituted under a commander other than General Hoeffler who is regarded by German party here as having been too weak in yielding to Commission's demand that he should disband his forces. If in these circumstances self-protection force were reconstituted we think that they would almost (? certainly) take a stronger offensive against Poles than that adopted during period which has just closed.

Since disbandment of the two forces there have been fairly numerous

¹ See No. 227.

² i.e. July 18. This telegram had been drafted on July 18.

³ See No. 231, below.

⁴ See No. 222.

⁵ The text is here uncertain.

instances of attacks on evacuated villages and (? individuals) by bands of Poles and Germans. Such attacks have occurred in a number of villages on the right bank (? of the) Oder where assailants were Poles. At two stations in the industrial area Poles dragged all German officials out of the trains and at two places in British zone bands of (? 150) insurgents (? openly) took up their positions and . . .⁶ in . . .⁶ (? while) (? in) north of British zone a band of Poles came across the frontier from Poland and attacked a château. Similar Polish . . .⁶ attacked by Germans in (? German) area (? and) there has [have] been a number of instances of attacks by (? similar) . . .⁶ in . . .⁶ the most serious of which was assassination of Major Montalègre at Beuthen. In the Polish area there are many refugees from German districts and . . .⁶. There is, in fact, a state of terrorism in many villages, which only increase of allied forces to at least 60,000 can suppress. We apprehend that no such increase is possible and we therefore repeat our second recommendation that an (? immediate) decision should be taken by Supreme Council. We are convinced that the present time when the harvest operations are in full swing is (? most) favourable opportunity for announcement of (? decision) and believe that if Polish and German troops and police were quickly moved into the area assigned to each Government before (? allied forces) were withdrawn it would be possible to maintain order, for once a final decision is given people would I (? think) (? settle) down and try to live (? amicably) together instead of cutting each other's throats.

We also repeat our third recommendation. It would be of great assistance to us in preserving order if some reinforcements of Allied forces could be sent at once. We understand that French Government decided to send an additional division and we urge that at least one more British brigade full strength and a similar Italian force should be (? if possible) sent without delay. With this addition to our forces we are confident that we could deal effectively with any attempt to resist our authority whether it came from Polish or German side.

Draft ends.

Repeated to Berlin, Paris and Warsaw.

⁶ The text is here uncertain.

No. 231

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received July 20, 11 a.m.)

No. 268 Telegraphic [C 14774/92/18]

OPPELN, July 19, 1921, 12 midnight

My immediately preceding telegram.¹

Following is the translation of the telegram to the Conference of Ambassadors. (Begins.)

Commission considers it ought to bring to the knowledge of the Conference

¹ No. 230.

of Ambassadors its opinion of the situation in Upper Silesia as it appears to the Commission ten days after the completion of the movements of withdrawal of the armed formations of both parties.

Inter-allied authorities have resumed control of the administration. Railway service has been rapidly re-established and the despatches of coal have been resumed. Work has been taken up everywhere and economic activity restored.

These reassuring symptoms however ought not to cause one to lose sight of the menaces which still exist in the territory or at its doors. Animosity between the two parties still exists. Ill-treatment to which the minority is often subjected by the majority as much in the western districts as in the eastern is clear proof of this. State of excessive excitement resulting from the recent crisis will probably be prolonged as long as the present . . .² continues and may again be aggravated, trifles are sufficient to hurry either of them into a thoughtless action. Fear is a bad counsellor and can lead to violence.

The situation is therefore unstable and it will remain so until each party has been fixed within its frontier when the responsibility for order will devolve upon the Power which, in this or that part of the territory, acquires the full sovereignty.

Commission considers therefore:

1. That the situation in Upper Silesia is serious and deserves the immediate attention of the Allies. Commission is not able to restore order in this respect completely for the question is not only one of authority but also one of force and of time.

Although the movements of withdrawal have, generally speaking, been carried out correctly some undesirables remain in the territory and allied authorities have not been able to accomplish the disarmament either of one side or the other. It is very certain that a large number of arms belonging to both sides remain hidden in the territory and it is not less probable that many others are collected outside the territory even at . . .³ attack by other and even most . . .² Governments.

2. That there is a danger of the situation remaining unstable so long as decision which is sought equally by both sides is withheld.

3. That the forces placed at the disposal of the Commission are insufficient not only to prevent a new insurrection, but even to maintain order effectively in the territory.

Commission moreover considers that if considerations, of which it is not in a position to judge, lead the allied Powers to defer their decision, reinforcement of the troops should, on that account, be considered more⁴ necessary and urgent.

Repeated to Paris, Berlin and Warsaw.

² The text is here uncertain.

³ The text was here uncertain; a repetition of this phrase was asked for and the amended version read 'even at the frontiers'.

⁴ The word 'more' was not included in the telegram as received in the Foreign Office, but was added on the file copy when the French version was studied. The French version

ran '... le renforcement des troupes n'en serait que plus nécessaires et plus pressant'. As Major Ottley pointed out in a minute of July 21, the original English version infers that reinforcement of the troops will 'only be urgent and necessary if the decision is to be deferred', whereas the French version reads 'that they would in such a case be "all the more urgent and necessary" thus implying that in any case they would be required'. Sir E. Crowe commented: 'That Sir H. Stuart's opinion is opposed to the despatch of additional troops, as unnecessary if a territorial settlement is made without delay, is clear from all his telegrams. It follows that he cannot have properly understood the real meaning of the French text of the telegram which the Commissioners jointly addressed to the Ambassadors' Conference (which we did not have before us when his telegram No. 268 was received and considered). The misunderstanding thereby created is most regrettable.' In a private letter to Lord Curzon of July 23, the French Ambassador mentions the 'télégramme inexactement interprété par le Gouvernement britannique par suite d'une erreur matérielle que vous avez bien voulu reconnaître . . . '.

No. 232

The Marquess Curzon of Kedleston to Sir M. Cheetham (Paris)

No. 409 Telegraphic [C 14738/92/18]

Urgent

FOREIGN OFFICE, *July 19, 1921, 9 p.m.*

Upper Silesia.

I saw French Ambassador this afternoon and made to him following proposal on behalf of His Majesty's Government:—

During my recent visit to Paris M. Briand agreed to meeting of Supreme Council at Boulogne to discuss Silesian question at any date after rising of French Chamber, *i.e.*: after July 10th.¹ We hoped at that time that members of allied Commission in Silesia might be able in interval to present us with unanimous Report. This hope having been disappointed a decision of the main question by the Great Powers had become all the more urgent and was being pressed upon us by daily telegrams from our representatives in Silesia. With this object I had proposed last week a meeting of Supreme Council on July 24th, and out of deference to M. Briand had suggested on July 12th that interval of ten days before meeting might be spent in examination of the subject by the experts desired by him.

M. Briand now makes an entirely different set of proposals, *viz.*: (1) that the meeting of Supreme Council shall be postponed till a later date in the autumn, (2) that the experts shall proceed in the interval at their leisure to draw up a *dossier* on the matter, (3) that in view of precarious local situation allied forces shall at once be increased, the French being prepared to provide another division for the purpose.

I explained to Comte de Saint-Aulaire that this did not seem to us the best way of dealing with the situation, which is too urgent and too fraught with peril to admit of further delay. In the autumn we were likely to be engaged in Conferences with the American and other Governments about the Pacific

¹ See No. 182.

and disarmament, and might not be available for an allied meeting in Europe. We were not convinced that sending further troops at present moment was best course to adopt, our latest reports, which I read out to the Ambassador, indicating a less troubled atmosphere than he had described in his official communications. Further there was serious risk that prolongation of existing uncertainty might result in early fall of present German Government and its replacement by some much less amenable body of men.

In these circumstances, His Majesty's Government earnestly counselled M. Briand to summon meeting of Supreme Council at Boulogne for Thursday July 28th. It was not certain at present whether the Prime Minister would be able to attend, but in that case Mr. Balfour² and I would represent His Majesty's Government, crossing to Boulogne either on Wednesday evening or Thursday morning and devoting the whole of Thursday, Friday and Saturday to the Conference. No reinforcement of troops should take place in the interim, but the question of such augmentation, which must depend in the main on the results of the meeting, would be one of the subjects for discussion. In the above circumstances we would not propose to proceed with the plan of expert enquiry, which it was now too late to believe could be of much use. I added that His Majesty's Government had so frequently deferred to M. Briand's requests for postponement of allied Conference in the past that I felt we now had a right to press for it; and that next week was the only week in which Mr. Balfour, who is going abroad for a cure on August 1st, will be able to attend.

² Lord President of the Council.

No. 233

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received July 21, 11.20 a.m.)

No. 379 Telegraphic [C 14821/92/18]

BERLIN, July 19, 1921, 9.20 p.m.

Italian Ambassador brought General de Marinis to see me this afternoon. General is on his way to Rome.

He makes an impression of great honesty and sincerity. In his view it is urgent that a decision should be arrived at rapidly regarding Upper Silesia. Present position is very critical and incidents between the Allied troops must be feared. Every corporal in each of the armies has his views as to the proper frontier and they must necessarily wrangle. He does not anticipate any danger from the German side unless the Poles commence. But if there is a fourth insurrection¹ the Germans will not take it as quietly as they did the last time. When asked what line he proposed, he said 'If you ask me as an expert there is only one line—the Percival-Marinis line,² perhaps with slight rectification. I say this as an expert. My Government may have other views but

¹ Cf. No. 246, n. 1, below.

² See No. 26, n. 4.

I only tell you what I think. It would be criminal to divide the industrial area; it is so intimately connected.'

Questioned as to Sforza lines,³ Marinis said he did not know their origin nor indeed quite precisely how they ran. He was (? against) them as he was against the division of the industrial area and repeated again that the only right solution was the Percival-Marinis.

He urged strongly that if one of the Commission was called on to the Supreme Council it should not be le Rond alone. He made out le Rond to be very sly, never saying a direct no or a direct yes. He is as slippery as a fish: now, however, he is more like the spectre of a fish since he has worked and worried himself to death. One can see right through his body.

Marinis is the only man I have seen emerge from the Upper Silesian turmoil with any appearance of health and equanimity.

He requested that what he had said should be treated as strictly confidential.

³ See Nos. 108 and 109.

No. 234

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received July 20, 11 a.m.)

No. 271 Telegraphic [C 14761/92/18]

OPPELN, July 19, 1921, 11 p.m.

Now that French Government have decided to send another division here I must press even more strongly for a substantial reinforcement of British troops. French troops are in many respects a source of danger rather than strength owing to their hatred of, and their provocation conducive to excitements among, Germans, and it is most important that we should have more British troops to garrison a larger part of industrial area as well as considerable part of German district. If there is not a corresponding increase in our forces French will probably demand a reduction of British zone which it will be difficult to resist and we shall be obliged to surrender either part of industrial area or German districts in North. If only Supreme Council will give an immediate decision neither French nor British reinforcements are necessary and we could evacuate country in about fifteen days, after decision is promulgated but, as an early decision now seems improbable, more troops are . . .¹ and a substantial proportion of them should be British. Your Lordship has no doubt observed that French note to German Government² dwells on fact that (? France) . . . (? terms of)¹ convention has the largest number of troops and officials and President of Commission is a Frenchman. I can hold my own in the Commission, but the Commission acts slowly and . . .¹ prevent injustice and provocation by French soldiers, nor can it conduct enquiry into charges brought against the French troops, and my considered opinion is that His Majesty's Government should relieve French of the burden of

¹ The text is here uncertain.

² See No. 227.

reinforcement by sending a strong British brigade. I also recommend that the present very weak battalions here be made up to full strength without delay. Substitution of British troops for French to the greatest extent possible would do more to pacify Upper Silesia than any other . . .³ I can suggest.⁴

³ The text is here uncertain.

⁴ In his telegram No. 273 of July 19, not printed, Sir H. Stuart repeated his recommendation that H.M.G. 'should insist that reinforcements of allied forces here should be by British and not by French troops'. He added that General Heneker authorized him to say that he shared his opinions.

No. 235

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 21, 10.10 a.m.)

No. 505 Telegraphic [C 14810/92/18]

Urgent

PARIS, July 20, 1921, 9.52 p.m.

I saw the President of the Council this afternoon immediately after receipt of Your Lordship's telephone message instructing me to speak to His Excellency in the sense of the language held to the French Ambassador as recorded in your telegram No. 409 of July 19th.¹

Monsieur Briand had only just returned to Paris but had already, he said, given instructions for drafting the reply of the French Government which would be sent at once to Comte de St. Aulaire.² I nevertheless repeated the arguments used by Your Lordship. Monsieur Briand discussed the whole matter in a most friendly tone and explained that he was dealing in his instructions to Comte de St. Aulaire with the various points raised, but he laid stress on three principal reasons for postponing a meeting of the Supreme Council which he thought outweighed other considerations.

1. He was absolutely opposed to a meeting of the Supreme Council without previous consultation of experts by whom the whole question should be studied in detail before its discussion by the Council. He instanced especially the possible division of the industrial area as a subject which needed most competent expert advice.

2. He said that in his opinion it would be highly dangerous to debate the question of Upper Silesia until tranquillity had been completely restored in plebiscite area and until the allies were in a position to enforce their decision without risk of disorder. When I referred to the obvious risks of delay and uncertainty he said that an additional French division would be enough to control the immediate situation. He admitted that the Poles were as much in fault as the Germans but said that there was no reason to apprehend a continuance of disorder on either side if reinforcements were despatched as desired by the Oppeln commission. In view of Monsieur Briand's insistence on the postponement of the Supreme Council I asked how long the process of pacification would take in his view, and when the meeting could take

¹ No. 232.

² This reply, dated July 21, is not printed.

place. He said that he thought the middle of August or a day or two earlier might be a suitable date.

3. The President of the Council spoke with some warmth on the subject of the possible absence of Mr. Lloyd George from the meeting of the Supreme Council and suggested that it would be very difficult for himself as the First Minister of France to appear if his colleague was not there. This was Monsieur Briand's reply on the point of the attendance of Mr. Balfour.

Before I left, Monsieur Briand begged me to believe and assure Your Lordship that views which would be placed before you by the French Ambassador were not based on any policy which he could not avow. He added that he badly needed rest after a long series of arduous debates in both Houses of Parliament. He is leaving Paris again on July 23rd and will be away till the end of the month.

No. 236

Memorandum by Major Ottley on the Silesian Situation

[C 14828/92/18]

FOREIGN OFFICE, July 20, 1921

The existing situation brings us back to the cardinal importance and acute danger of the Silesian question. Extricated from the mass of detail, in which it is involved, it stands as a symptom of the disease in the Entente, the fundamental divergence of policy between England and France.

The British policy was clearly defined by the Prime Minister in his speech of May 13th.¹ (It was simply on the one hand to exact from Germany to the uttermost farthing the fulfilment of her obligations which she has assumed under the Peace Treaty, while on the other hand according to her in full any advantages the Treaty may give her.) The two, as Mr. Lloyd George pointed out, are corollaries of one another. We cannot expect as time goes on to have enough physical force to exact obedience from Germany and we cannot therefore afford to give her ground for repudiating her signature on the ground that we can only demand the fulfilment of her obligations in the same measure as we fulfill [*sic*] ours.

The French policy which is also being more clearly defined is the retention of Germany in a position of thralldom. To effect this it is necessary,

(1) To deprive her of her remaining sources of recuperative power, such as Silesia and the Ruhr Valley.

(2) To strengthen and enrich Poland as a potential ally in the policy of repression.

(3) To engender in Germany a truculent attitude which shall serve as an excuse for these measures.

All these are being called in play in Silesia, but the most dangerous is the last. To effect it, it is desirable to replace the complacent Wirth Government by one less amenable and time and opportunity must be made for some

¹ See No. 64, n. 1.

ill-considered action on the part of the Germans. Thus the question must be kept open while further troops are sent to Silesia, troops whose actions, it is to be feared, are largely those of *agents provocateurs*. It must be arranged that the memory of the fault of the Poles be obliterated in some new disturbance, the blame for which can be attached to the Germans.

Unless this menace is quickly and firmly met it will be too late and the situation will be created from which the enemies of England and France alone will derive profit. The only way to meet it appears to be an early meeting of the Supreme Council at which alone a frank exchange of views can be made and the policies of England and France collated.

The latest events have rendered the meeting of committees of experts quite superfluous for the question is not one of the details of the Silesian question, but one of broad lines of policy.

L. E. OTTLEY

No. 237

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 21, 9.45 p.m.)

No. 507 Telegraphic [C 14882/92/18]

PARIS, July 21, 1921, 5.10 p.m.

All the press here publishes full accounts of Your Lordship's last communication to French Ambassador regarding Upper Silesia and of Monsieur Briand's reply.¹ I am not aware whether this is being done with Your Lordship's consent, but feel I should report fact as effect of immediate publication of each step in negotiations has been to give fresh impetus to chronic anti-British agitation in French press. Amongst many unjust accusations levelled against us I may mention frequent use of argument that His Majesty's Government by 'insisting on a policy of weakness' are directly encouraging Germans to multiply provocative acts (e.g. President Ebert's letter of congratulations to General Hoeffler) and defy allies. There is also an ominous recrudescence of agitation for military measures in Ruhr, which are regarded as a yet more effective and easy means of countering pan-Germanist designs than despatch of French reinforcements to Upper Silesia.

On the other hand I notice that Reuters are receiving fairly full information in London regarding progress of negotiations.

¹ See Nos. 232, 235, n. 2, and No. 238, below.

No. 238

The Marquess Curzon of Kedleston to Sir M. Cheetham (Paris)

No. 413 Telegraphic [C 14810/92/18]

Urgent

FOREIGN OFFICE, July 22, 1921, 2.30 p.m.

Your telegram No. 505 (of July 20th).¹

French Ambassador called upon me yesterday afternoon and delivered

¹ No. 235.

M. Briand's reply.² It was not in all respects identical with his conversation with you. For in the first place he based demand for immediate despatch of further Allied troops to Silesia upon alleged representation of allied Commission that decision on this point is urgent, whereas I pointed out to him that what Commission had pressed for in Sir H. Stuart's telegram No. 268 to Ambassadors' Conference at Paris³ was early decision of main frontier question by Supreme Council, reinforcement of troops being described as necessary and urgent only if decision of Allied Powers on main issue was deferred. Secondly Monsieur Briand now suggested the end of August as suitable time for meeting of Supreme Council, whereas he spoke to you about middle of August or a few days earlier.

I then read to French Ambassador extracts from our recent telegrams from Stuart and Heneker,⁴ which made it further quite clear:

(1) That local situation in Silesia is not altogether as explosive as French had depicted it.

(2) That arrival of a French division at this juncture might have effect very reverse of that desired.

(3) That preliminary enquiry by experts could not be expected to advance matters at this stage;

and I asked how it would be possible in the face of this evidence, which we might have to publish, for British Ministers in Parliament next week to explain their willingness to agree to yet another postponement merely to oblige Monsieur Briand, when he had himself proposed meeting at any date after July 10th.

I further pointed out that request for immediate decision comes not from Commission only, including General Le Rond, but from Germans and Poles as well, so that Monsieur Briand stands alone in arguing for postponement.

French Ambassador admitted that evidence which I had submitted was inconsistent with that supplied to him, and that rendered our compliance with prolonged postponement exceedingly difficult.

He did however make the point that inability of Italian Ministers to attend next week was a serious consideration. Accordingly in reply to this I suggested the holding of meeting in first week of August that being the date which Sir G. Buchanan (Rome telegram No. 292)⁵ had thought possible for Italian Ministers. French Ambassador undertook to telegraph in this sense to his Government. Please make simultaneous representations.

With regard to Monsieur Briand's observations concerning possible absence of Prime Minister I do not recollect that French Premier experienced

² See No. 235, n. 2.

³ No. 231.

⁴ See, e.g., Nos. 221, 230, 234. In his telegram No. 270 of July 18, Sir H. Stuart wrote: 'Danger of any armed attack by Germans is not only grossly exaggerated but in my opinion is non-existent, but attacks on individual Frenchmen may continue owing to their provocative conduct.' In his telegram No. 273 of July 19, he wrote: '... I am more strongly convinced than ever that sending of another French division here will greatly increase tension and be only too likely to provoke German attacks on individual or isolated bodies of Frenchmen.'

⁵ Of July 13, not printed.

any difficulty in presiding over Conferences in which Italy and Belgium were represented by Foreign Ministers, their Premiers being absent. Mr. Lloyd George however desires me to state that if Monsieur Briand feels that Prime Minister should come over after question has been explored by Supreme Council, he would set everything aside and be at Boulogne within a few hours. The note left at Foreign Office by French Ambassador suffers from a misapprehension on this point since it speaks of French Government as anxious to respect Mr. Lloyd George's repose in August. This is the first that Prime Minister has heard of any such prospect, unless a Parliamentary and political position of extreme complexity can be so described.

Addressed to Paris No. 413. Repeated to Berlin No. 183, Rome No. 317, Warsaw No. 169 and Oppeln No. 114.

No. 239

The Marquess Curzon of Kedleston to Sir M. Cheetham (Paris)

No. 414 Telegraphic [C 14810/92/18]

Very urgent

FOREIGN OFFICE, *July 22, 1921, 4.55 p.m.*

You will of course have understood from my telegram No. 413¹ that pending decision as to early meeting of Supreme Council, His Majesty's Government cannot agree to despatch of allied reinforcements to Silesia. In any case such an act should only be result of allied decision.

Addressed to Paris No. 414. Repeated to Berlin No. 184, Rome No. 318, Warsaw No. 170 and Oppeln No. 115.

¹ No. 238.

No. 240

General Sir W. Heneker (Oppeln)¹ to the Marquess Curzon of Kedleston
(Received July 24, 1.30 p.m.)

No. 282 Telegraphic [C 14996/92/18]

OPPELN, *July 22, 1921, 8.30 p.m.*

According to newspapers French Government is urging that Upper Silesia must be restored to order before the decision of the Supreme Council can be given. This suggestion that disorder prevails requires large qualifications. Agricultural population is busily engaged with the harvest and for the present is not concerned with political questions. There are armed bands in places but unless these are clearly German, le Rond himself describes them, and rightly, as bandits. Causes of local fighting have been (? large)ly removed by voluntary departure of both Germans and Poles from districts where the

¹ General Heneker was authorized to act for Sir H. Stuart, who as proposed in his telegram No. 279A of July 20, not printed, left Oppeln on July 23 for London to 'discuss matters personally'.

inhabitants are predominantly of the other race. It is true that Germans are bitterly hostile to French and quickly resent any strong action taken against them by French troops or officials. I do not believe however that there is any intention on the part of the Germans either within or without Upper Silesia to resort to any armed attack either on the allies as a whole or the French separately. What they fear is a fresh insurrection by the Poles and it is because of this fear that they resist and will resist attempts to disarm them (? while no) similar action is taken against the Poles. I do not believe that the decision of the Supreme Council will be resisted by the Germans, on the other hand it is quite likely that there may be Polish outbreaks if their large expectations are seriously disappointed. Allied forces are strong enough to suppress such Polish attacks. In short I feel that we shall never have a more favourable moment for the promulgation of the decision.

Addressed to Foreign Office No. 282. Repeated to Paris, Berlin and Warsaw.

No. 241

The Marquess Curzon of Kedleston to Mr. Kennard¹ (Rome)

No. 321 Telegraphic [C 14968/92/18]

FOREIGN OFFICE, July 22, 1921, 11 p.m.

Pessimistic view of present situation in Upper Silesia taken by French Government is not borne out by reports we receive from British Commissioner and Commander of British troops.² Hostility of German elements to French troops is due to a large extent to provocative behaviour of French soldiers and officials and their undisguised partiality for the Poles.

Only effective solution advocated by all the Commissioners as well as by the Germans and Poles is a speedy settlement of the future frontier by the Supreme Council. If this can be ensured, our Commissioner is satisfied that no reinforcements are necessary at the moment, and advent of more French troops without proportionate increase of existing Italian and British contingents would merely aggravate situation and might easily lead to renewal of disturbances aimed chiefly at the French.

It is to avoid this at all costs that we have felt compelled to insist on an earliest possible meeting of the Supreme Council, however inconvenient it may prove to individual Governments, and we confidently rely upon the co-operation of Italy in order to secure a speedy and equitable settlement. Meanwhile we strongly deprecate despatch of additional French troops and have so informed French Government.

General de Marinis should by now be in Rome. He is we believe in general agreement with the proposals all along advocated by his British colleagues on the Commission.³ No other more satisfactory or more equitable solution has been suggested.

¹ Counsellor in H.M. Embassy at Rome; Chargé d'Affaires, July 16–September 15.

² Cf. No. 240.

³ See No. 233.

Disappearance of Wirth Government at this juncture would be a disaster and might well jeopardize whole question of reparations, which we hoped had been settled so satisfactorily. According to our information risk of this is very real if decision as to frontier in industrial area is flagrantly unjust to German majority or in contravention of terms of the Treaty.

You should take earliest possible opportunity to speak to Minister for Foreign Affairs in this sense.

No. 242

*Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 23, 10 p.m.)*

No. 516 Telegraphic [C 14991/92/18]

Very urgent

PARIS, July 23, 1921, 5.40 p.m.

Upper Silesia.

On receipt of your telegram No. 505¹ yesterday evening, I found that the President of the Council had left for the country after a Cabinet meeting in the morning. It was also too late to get into touch with M. Berthelot, whom I was only able to see early this morning.

He informed me that Your Lordship's observations to Monsieur de St. Aulaire of the 21st instant had been discussed by the Council of Ministers yesterday and that fresh instructions had been at once sent to the French Ambassador in London who would convey to you the answer of the French Government. This, he said, contained three following main points:—

1. The French Government attached the greatest importance to the examination of the question by experts. They believed that you had consented to this in principle and in any case there could be no harm in their assembling in the interval previous to the date of the Supreme Council; they hoped that their labours would produce really useful results.

2. The French Government maintained their proposal to send a division to Upper Silesia at once. They considered that this number of troops would be sufficient for the purposes in view, and if Great Britain and Italy were unable to send a contingent, the French troops would be able to meet the situation.

3. M. Briand had made a counter-proposal for a meeting of the Supreme Council at the beginning of the third week in August.

I impressed on M. Berthelot the various observations made by Your Lordship to the French Ambassador. He was not ready to agree with your views either with regard to the extent of the dangers in Upper Silesia, or to the undesirable effects which might be produced on the local situation by the arrival of French reinforcements. Nor, as already stated above, could he share your opinion with regard to the question of experts. Respecting the point that

¹ The reference is to Lord Curzon's No. 413 of July 22 (No. 238) which referred to Sir M. Cheetham's No. 505 (No. 235).

M. Briand had accepted a meeting at any date after July 10th, he could only state that circumstances had very much changed in the meantime.

With regard to the Italians he said that it was apparently certain that they would not be ready for a meeting in the first week in August.

M. Berthelot insisted very strongly that the French troops would act entirely impartially and suppress disorder if necessary amongst the Poles as severely as among the Germans. He emphasized repeatedly during the conversation that the questions which separated the two Governments were not ones of principle but of procedure; and that the French Government were sincerely desirous of acting closely with us in the settlement of the Silesian difficulty. Whatever that settlement might be, the decision of the Supreme Council would be vigorously and impartially carried out by the French authorities on the spot.

I experienced some difficulty in carrying out your instructions with effect, in view of the fact that the Secretary-General took the line that the views of the French Government had been taken in the Council of Ministers and already referred to London for communication to Your Lordship.²

M. Berthelot remarked in this connection that M. Millerand had a[d]opted a slightly uncompromising attitude on the Council but that M. Briand hoped to come to a complete agreement with His Majesty's Government.

Repeated to Berlin, Warsaw and Oppeln.

² See No. 247 below.

No. 243

*General Sir W. Heneker (Oppeln) to the Marquess Curzon of Kedleston
(Received July 24, 4 p.m.)*

No. 284 Telegraphic [C 14998/92/18]

Very urgent

OPPELN, July 23, 1921, 7.30 p.m.

Inter-Allied Commission has decided to address the following telegram to the Conference of Ambassadors, begins.

The (? British) and Italian Commissioners are of an opinion that if the Supreme Council is unable to give a very early decision upon the frontier of Upper Silesia, area for the tranquil[l]ity of which the allies are responsible should be reduced and they recommend to the Conference of Ambassadors that this should be done by the immediate transfer to the Polish and German Governments respectively of those portions of Upper Silesia about the ultimate destination of which there is no dispute. These are as follows:

To Poland. Whole of Kreis Pless except Ellgoth near Kattowitz and the whole of Kreis Rybnik except the (? corner) in the north west bounded by light railway from Ratibor to Gleiwitz.

To Germany. The whole territory to the west of the Oder up to the railway line from Oppeln to Brieg and east of the Oder, the remainder of Kreis Oppeln to the north of a line following the river Malapane as far as Turawa

and then running eastwards to the southernmost point of Kreis Rosenberg portion of Kreis Rosenberg north of this line and of Forbottentag [Gutten-tag] Rosenberg Landsberg road and the whole of Kreis Kreusberg.¹

British and Italian Commissioners are further of opinion that if this transfer of territory is carried out no reinforcements of allied troops in Upper Silesia is necessary and that despatch of an additional French division if already ordered should be countermanded.

Commission decides that a copy of this decision be communicated immediately by telegraph to the Conference of Ambassadors.

Signed Harold Stuart Colonel Vicomte Psasca [Visconti Prasca] in the absence of General Marinis.

French Commissioner on account of position taken up by his Government on May 7th in regard to a similar proposal² feels obliged to refrain from any expression of opinion even as to the principle involved in the above proposal.

Signed le Rond.

Repeated to Paris, Berlin and Warsaw.

¹ Cf. French text of telegram of July 24 to Conference of Ambassadors: '... au Nord de cette ligne et à l'Ouest de la route Guttentag-Rosenberg-Landsburg.'

² See No. 118, n. 2.

No. 244

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 23, 10.30 p.m.)

No. 517 Telegraphic [C 14992/92/18]

Very urgent

PARIS, July 23, 1921, 7.45 p.m.

I communicated to M. Berthelot in writing the exact contents of your telegram No. 414¹ respecting the despatch of allied reinforcements to Upper Silesia. After communicating by telephone with M. Briand who is away from Paris he transmitted the following reply on this point. He expressed surprise at the attitude of His Majesty's Government since the intention of the French Government to send the troops had already been made known to Monsieur le Comte de St. Aulaire and he believed to His Majesty's Government.²

In spite of the desire of French Government to act with His Majesty's Government it was impossible for the French Government to change their decision to send further French troops. Their intention to do so had met with no objection on the part of the Italian Government. The German Government had been notified of this intention eight days ago (Berlin telegram No. 373)³ and after the meeting of the Council of Ministers on July 22nd a further note had been addressed to the German Government in the tone of an injunction to supply the necessary facilities for the passage of the troops through German territory.

¹ No. 239.

² See No. 225.

³ No. 227.

Monsieur Berthelot gave the following reasons in support of the attitude of his Government.

1. Reinforcement was a question of security and vital for troops on the spot.
2. The French Government must be allowed to appreciate the necessity of reinforcing their own troops.
3. The Inter-Allied Military Council [Committee] of Versailles had always insisted on 40,000⁴ men as the minimum required in Upper Silesia.

Monsieur Berthelot asserted that the French Ministry of Foreign Affairs had had no warning of strong view now held by His Majesty's Government as to the despatch of reinforcements for the French contingent, and the French Ambassador, he added, had never reported Your Lordship's opinion on this point as a categorical one. He hoped that in consideration of the absolute necessity for sending reinforcements from the French point of view His Majesty's Government would be able to waive their objections.

I gathered that instructions have already been sent to the French Ambassador to make further representations to Your Lordship.⁵

⁴ Cf. No. 172, n. 4.

⁵ See No. 247, below.

No. 245

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 24, 10 a.m.)

No. 518 *Telegraphic* [C 14993/92/18]

Confidential

PARIS, July 23, 1921, 8.30 p.m.

As Your Lordship will have observed in the latest communications from the French Government, the two conditions on which they are determined to insist in return for consenting to Supreme Council during August, are:

(A) Previous meeting of experts.

(B) Immediate despatch of reinforcements to Upper Silesia.

As regards A, all indications here are that the French Government, in view of publicity given by them to their insistence on point, will find it exceedingly difficult if not impossible to recede from their position. It therefore appears to be a matter for consideration whether some concession on this point of procedure would be worth making in order to expedite issue from the present *impasse*, more especially if we can make no concession on the presumably larger issue of sending troops. The view is strongly held here that unless experts meet in advance and prepare the ground, the Supreme Council is sure to reach complete deadlock after a few hours discussion (as has happened more than once at previous Supreme Councils) over the numerous high technical questions involved in deciding on the new frontier, and will then have to refer back to experts after all. This, it is urged, will mean loss of precious time and prolong the duration of Supreme Council whereas in present state of Europe no Minister can afford absence of more than a few days from their [*sic*] respective capitals.

Your Lordship is of course well aware from previous experience—as in the case of the French troops being sent to Frankfurt last year¹—that there is always a danger of French breaking loose and taking independent action, with disastrous results, when they fail to carry their point in discussions with their allies. M. Briand has, it is true, repeatedly staked his political existence on the maintenance of allied unity and is, I believe, sincerely anxious to reach amicable agreement with His Majesty's Government on the Upper Silesian question. It would, however, be rash to lose sight of the above mentioned danger in the present case, especially in view of information regarding B contained in my immediately preceding telegram.²

¹ See Vol. IX, Chaps. III and IV.

² No. 244.

No. 246

Mr. Max Muller (Warsaw) to the Marquess Curzon of Kedleston
(Received July 25, 3 p.m.)

No. 345 Telegraphic [C 15146/92/18]

WARSAW, July 23, 1921, 8.30 p.m.

Berlin telegram No. 375.¹

I handed to Minister for Foreign Affairs yesterday aide-mémoire containing substance of reply of German Minister for Foreign Affairs and urging Polish Government to use their influence to secure the surrender of arms by insurgents. I also requested information as to the number of rifles and other weapons already seized by Polish troops. His Excellency said that he would endeavour to obtain desired information.

I then told Minister for Foreign Affairs that my telegrams from Oppeln showed that Commissioners were much impressed by the seriousness of the situation in Upper Silesia. There were constant attacks by Poles on Germans and by Germans on Poles and a state of terrorism existed in villages. The presence in Upper Silesia of a large proportion of elements formerly composing insurgents and German forces, and retention by them of large quantities of arms constituted a serious menace for the future.

Minister for Foreign Affairs assured me that the Polish Government felt no fear as to possible recurrence of revolution from insurgent side, though until the frontier was finally settled there would be local disturbances of minor importance. Polish Government would continue to exercise restraining influence although that influence had been diminished by the withdrawal of Korfanty² and the substitution of the present committee for the liquidation

¹ Of July 19, not printed. This summarized a letter from the German Minister for Foreign Affairs to Lord D'Abernon assuring him that on the German side no preparations were being made which could lead to a new crisis in Upper Silesia, but stating that there was 'no doubt as to the intention of the Poles to create a fourth insurrection', since 'only regular Polish troops and a part of Haller's have withdrawn behind Polish frontier'.

² M. Korfanty had arrived in Paris on July 18 to press Polish claims for Upper Silesia.

of insurrection. The longer the decision was delayed the greater would be the danger of renewed disturbances and for that reason he deplored the despatch of a new body of experts. Meanwhile he drew attention to the urgency of providing adequate police forces for the protection of minorities and expressed hopes that allied forces would not be withdrawn precipitately after announcement of decision of Supreme Council.

General Carton de Wiart has drawn my attention to the reference in reply of German Minister for Foreign Affairs to Haller troops. These were disbanded last year and although Poles may have been seen wearing Haller uniform, just as self-protection soldiers were seen in Dusseldorf in German field grey uniforms, there is no such a thing now as Haller troops.³

Repeated to Berlin and Oppeln.

³ See Vol. II, p. 56; cf. No. 196, n. 2.

No. 247

The Marquess Curzon of Kedleston to Sir M. Cheetham (Paris)

No. 418 Telegraphic [C 15085/92/18]

Urgent

FOREIGN OFFICE, *July 23, 1921, 9 p.m.*

Silesian question.

I had most serious conversation with French Ambassador this afternoon, in which he read to me a series of telegrams of a decidedly unpleasant character from M. Briand. The latter declined to agree to the early meeting of the Supreme Council for which I had repeatedly pressed; he refused to accept the local information from Silesia which I had quoted, but which he appeared to regard as a reflection upon French officers and agents; he placed exclusive and implicit reliance upon the telegram from Allied Commission purporting to ask for immediate reinforcements,¹ and he announced the intention of the French Government with or without the concurrence of their Allies, to send French division at once to Silesia, on ground that only so could situation be saved, and that public opinion in France would be content with no lesser measure.

I at once intervened to point out to His Excellency that the statement that he had just made was the most serious that I had heard since I had been at the F[oreign] O[ffice]; and that if the action contemplated by M. Briand were taken, it seemed to me that we should be heading towards disaster. I found difficulty in believing that whatever the actual words employed in the telegram,¹ the British Commissioner could have advocated the immediate despatch of Allied reinforcements to Silesia, since I had a telegram from him dated July 21st,² *i.e.* two days later in which he declared that if there was to be an immediate decision of the Supreme Council more troops were unnecessary and that if disaster were to be avoided it was essential that the sending of an

¹ See No. 231.

² Tel. No. 278, not printed.

additional French division should be stopped at once.³ Sir H. Stuart however was now on his way to England and in a few hours could testify himself.

I further reminded the Ambassador of the deplorable effect produced by the solitary action of the French in the occupation of Frankfort and other German towns more than a year ago, and of the engagement given in writing by M. Millerand to Lord Derby on April 9th and repeated in writing on April 11th, 1920 that in all Inter-Allied questions raised by execution of Treaty of Versailles French Government has no intention of acting save in accordance with its allies.⁴ French Government were I said, fully entitled to press for Military reinforcements, if they felt these to be necessary and to ask for British and Italian cooperation. But if, as was now the case, both their allies denied the necessity and refused the troops, then the decision to act alone was in my judgment illegitimate and could only provoke a very grave situation. How could M. Briand contemplate such a step at the same time that he absolutely refused every request for a meeting of the Supreme Council, although this was demanded as the sole effective solution, by everybody concerned, with the solitary exception of M. Briand himself? His Majesty's Government must earnestly protest against such a policy and must reiterate their demand for a meeting which I would attend on any day at 24 hours notice and for which the Prime Minister also had signified his willingness to cross to France if required.

After His Excellency had several times repeated his defence that it was upon the telegram from the Commission that the French Government relied, he at length asked me if I could not at least meet one of M. Briand's suggestions, for instance as regards the Meeting of the Experts at Paris. I replied that so far M. Briand had returned a direct negative to every request of mine, and that it was the opinion of all our authorities, as also of the Italian Government, that the proposed expert enquiry at Paris, by men who were unacquainted with the local situation, would be barren. But if it would help M. Briand that I should accede to this I would send over our experts on Monday;⁵ but only on condition that he agreed to summon a Meeting of the Supreme Council not later than August 4. I had little doubt that, if he put pressure upon the Italian Government, which I would gladly reinforce, they would be able to send a representative by that date. In any case it was for a Meeting of the Council that once again I pleaded. There and there only could the question be decided whether reinforcements were required.

Please submit this proposal to the favourable consideration of M. Briand and point out to him grave danger that lies ahead. The acuteness of crisis is not diminished by fact that our proposals and replies of French Government appear to be communicated to the French Press before latter have been received by us, and are accompanied by a Press outcry against Great Britain that adds to the strain of present situation.

Incidentally in the course of our conversation the French Ambassador admitted with perhaps unconscious candour that the French Government

³ See No. 238, n. 4, and Nos. 239 and 244.

⁴ See Vol. IX, Nos. 336 and 357.

⁵ i.e. July 25.

could not allow of any solution of the Silesian question that would hand over to her hereditary enemy, already thirsting for revenge, so great a potential source of strength in the future.

Addressed to Paris No. 418. Repeated to Rome; Berlin, for Warsaw and Oppeln.

No. 248

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received July 24, 8 p.m.)

No. 388 Telegraphic [C 14987/92/18]

BERLIN, July 24, 1921, 2.10 p.m.

Papers publish following reply of German Government to French Ambassador regarding demand for transport of troops to Silesia.

In course of our conversation to-day you informed me that French Government had determined to send division of auxiliary troops through Germany to Upper Silesia and in that connection you put question whether German Government were prepared to take necessary measures for quick transport of these troops through Germany.

After discussing matter with Chancellor I have the honour to inform you that German Government are prepared to comply in every way with conditions of Versailles treaty as far as concerns transport of troops of Allied and Associated Powers. At same time in their opinion a request for transport of troops to Upper Silesia cannot be made by one of the three powers in its own name but only in name of body (*gesamtheit*) of the three powers who are carrying out occupation of Upper Silesia. I venture therefore to request Your Excellency kindly to inform me whether in this case request is made in name of three occupying powers.

No. 249

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received July 24, 11 p.m.)

No. 389 Telegraphic [C 14988/92/18]

BERLIN, July 24, 1921, 2.15 p.m.

Dr. Rosen has sent me following opinion by legal adviser of Foreign Office on demand for transport facilities to Upper Silesia for French division.

Paragraph 2 of appendix to Article 88 of Versailles Treaty lays down that Upper Silesia shall be occupied by troops of Allied and Associated Powers and that Germany is bound to render possible transport of these troops to Upper Silesia. Powers concerned in occupation of Upper Silesia, that is to say England, France and Italy, form in respect of occupation one whole and in all questions regarding occupation cannot approach Germany individually but only as a whole. Any claim for carrying out movement of troops in

accordance with paragraph 2 cannot therefore be asserted by any one of three Powers in its own name but only in name of Powers as a whole. This is specially clear from conditions of Article 375 which supplements above mentioned paragraph 2 and according to which Germany has to comply with transport instructions concerning movement of troops in connection with execution of Treaty if such instructions are issued by one authority acting in name of Allied and Associated Powers.

No. 250

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received July 24, 9.25 p.m.)

No. 390 Telegraphic [C 14983/92/18]

Sub-committee. Very urgent

BERLIN, July 24, 1921, 6.5 p.m.

French Ambassador's call on Chancellor this morning at eleven. Minister for Foreign Affairs and a French secretary were present at the interview.

French Ambassador demanded peremptorily an immediate 'Yes' or 'No' to question regarding transit, as German reply (see my telegram No. 388)¹ evaded the point.

Minister for Foreign Affairs replied that the Cabinet must be consulted, that to-day was Sunday. Finally after very animated discussion, it was agreed that an answer by Tuesday morning² would suffice.

German Government now ask me to ascertain urgently views of His Majesty's Government on legal point, whether one power can demand transit facilities, or only the *three* occupying powers, see my telegram No. 389.³

Your telegram No. 414 to Paris⁴ practically states view of His Majesty's Government but I should like specific instructions before communicating opinion to German Government. These should, if possible, reach me before Tuesday morning.

¹ No. 248.

² i.e. July 26.

³ No. 249.

⁴ No. 239.

No. 251

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received July 24, 11 p.m.)

No. 391 Telegraphic [C 14989/92/18]

BERLIN, July 24, 1921, 6.5. a.m. [? p.m.]

Following is answer of German Government to French representations on July 16th.¹

Surprise is expressed at French complaints which can only have been made owing to faulty information as to facts. Situation in Upper Silesia is in no way threatened by attitude of German populations which has [*sic*] never had any

¹ See No. 227.

idea of an insurrection. They only assembled at beginning of May for defence against Polish attacks. With regard to allegations as to provocative utterances by General Hoefler German Government declare that they have not been able to trace any such and ask for information.

Explanations are given as to various attacks on French officers and regret is expressed at their occurrence. Political consequences which French have attached to them are declared to be unjustified.

French accusations against self-defence organisations are repudiated and German Government declined responsibility for them. These organisations have been created owing to needs of population in territory which is not under German administration but under that of Inter-allied Commission. Allegations as to strength of organisations and numbers of persons from outside Upper Silesia which they contain are declared to be not in accordance with facts. After their dissolution in accordance with agreement with Commission Upper Silesian members have returned to their homes except when prevented by Polish terror. Others have also returned home or have been found work by trades unions. German Government have in accordance with their assurances disarmed portions of organisations which have crossed into German territory. If any more such detachments be discovered they will be disarmed and dissolved.

It is also denied that headquarters of self-defence organisation remains on spot and that General Hoefler is at Brieg. Headquarters has been dissolved and General Hoefler has gone to his home at Coburg.

Note then goes on to show at length that peace is not endangered by Germans but by Poles whose evacuation of territory is said to be only apparent; and long list of facts is cited in support of this contention.

German Government regrets that French Government has put credence in many false statements which seem to have been made from Polish side, and expresses hope that explanation given will dissipate fear of German insurrection. German Government is of opinion that increase of French forces will not have calming effect on tension which is naturally created by delay in decision.

German Government state that by accepting ultimatum² and by measures they have taken for carrying it out they have given proof that their intentions are peaceful and are not directed towards warlike adventures but that their policy is restoration of peaceful and normal relations. They have already made enormous financial and economic deliveries and have given satisfaction to all demands respecting disarmament. They will continue their efforts in this direction. Within a few weeks they have given up heavy artillery of land and coast fortresses as well as army, navy and police equipment disallowed by Control Commission: they have forbidden manufacture of aircraft and have disarmed and dissolved all self-defence organisations which still existed in Germany. Carrying out of Peace Treaty depends, however, among other things on whether it is possible to bring Poles on their side to respect Treaty, to refrain from unjustifiable objects and to renounce all methods of violence.

² See No. 615.

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 25, 8 a.m.)

No. 521 Telegraphic: by bag [C 14995/92/18]

Urgent

PARIS, July 24, 1921

Your telegram No. 418 of July 23rd.¹

I was not able to see Monsieur Berthelot till 6 o'clock today. He had been in communication with Monsieur Briand who is away from Paris.

I went carefully through your telegram with Monsieur Berthelot and at his request left a copy with him. He began by saying that it was of no great utility to discuss again in detail the controversial points raised in Your Lordship's conversation with the French Ambassador in London. Two telegrams had been despatched this morning to the Ambassador containing minute instructions for the rejoinder which he should make to Your Lordship. To these instructions Monsieur Berthelot had nothing to add. For my information, however, he could state:

(1) That the French Government agreed to meeting of Supreme Council on August 4 after preliminary assembly of experts.

(2) That the above was conditional on our acceptance of despatch of additional French troops.

(3) The French Ambassador had been informed that French troops would take no '*action isolée*'. Their task would be to preserve order impartially on behalf of the Allies.

I took up again the point of Sir H. Stuart's alleged recommendation of the immediate despatch of Allied reinforcements, but was quite unable to move Monsieur Berthelot from what has become the accepted French view in this matter based on the telegram from the Commission of July 19th.² With regard to Monsieur Millerand's assurances to Lord Derby,³ Monsieur Berthelot first stated that the present case was one of security and that therefore the precedent of Frankfort did not apply. I quoted, however, the exact words used by Monsieur Millerand which left him speechless.

Monsieur Berthelot said that he could not accept Your Lordship's statements to Monsieur de Saint-Aulaire respecting the attitude of the Italian Government as to either the despatch of reinforcements or the meeting of experts, and he hinted very strongly that they had told one story to us and another to the French. He also protested that Monsieur Briand had never entirely refused to contemplate a meeting of the Supreme Council, and when I repeated the admission of the French Ambassador that France could not allow a solution of the Silesian question which would hand over that country's resources to Germany, he remarked after slight hesitation that it was difficult for him to take any other view.

Monsieur Berthelot showed some signs of agitation during the course of our conversation. His tone was more decided and vehement than when I last

¹ No. 247.

² No. 231.

³ See No. 247, n. 4.

saw him. He evidently felt that the moment was a very serious one, but he gave me no indication that the French Government would give way respecting the despatch of the new division.

No. 253

Mr. Kennard (Rome) to the Marquess Curzon of Kedleston
(Received July 26, 3.30 p.m.)

No. 314 Telegraphic [C 15218/92/18]

Urgent

ROME, July 25, 1921, 10.15 a.m.

Your telegram No. 321.¹

I had long conversation this evening with Minister for Foreign Affairs who fully shares your views as to immediate meeting of Supreme Council and desire of not sending French reinforcements alone to Silesia at the present moment. French Government have invited Italian Government to accept their programme of sending troops, summoning council of experts and addressing a threatening note to German Government. He had refused to subscribe to this programme and confined his action to addressing warning to Berlin and Warsaw to observe correct attitude.

As regards frontier etc., he did not approve of Sforza line and thought with General de Marinis that Percival-de Marinis line or some compromise on that basis would be probably the best. Further he thought it essential to warn Polish and German Governments to hold troops in readiness immediately to occupy whatever areas may be assigned to them. As regards date for meeting of Supreme Council he hoped to be able to leave Italy within ten days. He was however anxious that President of the Council should accompany him. He would consult latter tomorrow and let me know when they could both leave. I think Minister for Foreign Affairs could be induced to proceed to France at end of this week.

¹ No. 241.

No. 254

General Sir W. Heneker (Oppeln) to the Marquess Curzon of Kedleston
(Received July 26, 10.30 a.m.)

No. 291 Telegraphic [C 15177/92/18]

OPPELN, July 25, 1921, 1 p.m.

Following for Sir H. Stuart:¹

I have today received a letter from Sir Henry Wilson asking me my views on question of withdrawal of troops in Upper Silesia when once the Supreme Council has given its decision. I see Max Muller in his despatch No. 430 of

¹ See No. 240, n. 1.

July 19th² rather advocates the retaining of troops for a considerable time in the country after decision. I would suggest your seeing Sir H. Wilson if you can about this matter. I know we agreed on this question and that it is imperative to get out as soon as we can, for if we once begin to manage and police a country over which we have no jurisdiction endless incidents will arise and situation will become even more complicated than it is now.³

² Not printed.

³ Cf. No. 214. Mr. Tufton noted on July 26 that Sir H. Stuart would discuss the question with the Secretary of State for War, 'who has asked to see him'.

No. 255

Mr. Kennard (Rome) to the Marquess Curzon of Kedleston
(Received July 26, 3.20 p.m.)

No. 315 Telegraphic [C 15217/92/18]

Urgent

ROME, July 25, 1921, 2.15 p.m.

Following is a continuation of my immediately preceding telegram.¹

Confidential.

His Excellency then proceeded to discuss larger view of Silesian situation which he considered affected the whole position in Europe. He thought France had staked everything on her present policy and showed this by the reckless and almost insane manner in which she was behaving.

Silesia was to be an Arsenal, whence Germany could find materials for another war and if decision be given in favour of Germany what would be the future policy of France? England owing to her powerful geographical position had nothing to fear. Italy, however, was a less powerful neighbour. In fact His Excellency feared that France might get her knife into Italy and expressed considerable apprehension as to the future.

I replied that it appeared to me that France could hardly break with her present Allies, if the latter were agreed and there was no other camp into which she could well throw herself. At any rate these were matters which he could more properly discuss with you on meeting within the next few days.

I think perhaps His Excellency's apprehensions may be in some measure due to desire to obtain British support as regards tripartite agreement, Albania and other questions.²

Repeated to Paris.

¹ No. 253.

² For the question of the tripartite agreement see Vol. VIII, Nos. 13 and 19, and Vol. XIII, No. 118; for that of Albania, see Vol. XV, Chap. VI, pp. 695-6 and 697.

No. 256

The Marquess Curzon of Kedleston to Lord D'Abernon (Berlin)
No. 188 Telegraphic [C 14983/92/18]

Very urgent

FOREIGN OFFICE, July 25, 1921, 6 p.m.

Your telegram No. 390.¹

His Majesty's Government would prefer not to give advice to German Government on the question of legal interpretation of the Treaty.

The question is a political one and will be determined at the approaching meeting of the *Conseil Suprême* to be held next week.

His Majesty's Government do not mean to allow the question to constitute a source of difficulty between the Allies.²

¹ No. 250.

² Commenting on this telegram, in a private telegram to Lord D'Abernon, on July 25, Lord Curzon stated that: 'My telegram No. 188 contains formula which I discussed this afternoon with French Ambassador as advice which I was prepared to give to German Government in reply to your telegram No. 390. I subsequently read it to German Ambassador. Its inner meaning is that, while German legal interpretation of Treaty is perfectly sound, they will be well advised not [to] base refusal upon it, but to say to French Ambassador that question appears to be one of a political character which they understand is about to be discussed at Meeting of Allies. In other words, they withdraw legal objection. On the other hand, in return for this satisfaction, French Ambassador expects to obtain assent of his Government not to send their division to Silesia pending decision of Supreme Council next week. German Ambassador, to whom I could not, of course, speak with confidence about French part of understanding, but to whom I hinted the probability of their not taking advantage of new situation, appeared to be immensely relieved at my communication.'

No. 257

The Marquess Curzon of Kedleston to Sir M. Cheetham (Paris)
No. 421 Telegraphic [C 15228/92/18]

FOREIGN OFFICE, July 25, 1921, 10.30 p.m.

Your telegram No. 521.¹

French Ambassador spoke to me this afternoon in sense foreshadowed by you, only difference being that he pleaded on behalf of M. Briand for meeting of Supreme Council on August 4th to be held at Paris instead of Boulogne. We will gladly agree to this in deference to M. Briand. Mr. Balfour will accompany me, and Prime Minister will follow if required. Our experts, Mr. Tufton and Sir C. Hurst will cross tomorrow night and be available for discussion Wednesday² or later, unless delay in arrival of Italian experts renders a postponement of their departure desirable.

¹ No. 252.

² i.e. July 27. Sir C. Hurst was Legal Adviser to the Foreign Office. In his telegram No. 423 of July 25, Lord Curzon informed Sir M. Cheetham that Mr. Waterlow would also be one of the British experts; and in his telegram No. 544 of July 28, not printed, Sir M. Cheetham reported that the experts had begun their work.

When the Comte de St. Aulaire proceeded to attach to these two arrangements the condition that His Majesty's Government should accept despatch of French reinforcements to Silesia, I was obliged to tell him, after full discussion in Imperial Cabinet³ this morning, that this was impossible. French case had hitherto rested on two propositions: (1) disturbed state of country; (2) alleged unanimous request of Commission. Neither proposition could any longer be maintained. In support of this I read passages from latest telegrams of General Heneker notably his No. 284,⁴ conveying opinion of majority of allied Commission. I went on to argue that an examination of the annex to section VIII of the Treaty of Versailles showed conclusively that the despatch of troops, charge for which must fall upon Silesia, could not possibly be undertaken by a single Power in opposition to the remainder; that the question of reinforcements was one for allied Powers and that France could not claim to be sole interpreter of Treaty. Supposing we had, in consequence of sporadic attacks upon British soldiers in Silesia or elsewhere, announced our intention to send a British division, against the expressed wish of our French allies, what would the latter have said?

The whole case could now be viewed in a different perspective. The almost immediate meeting of the Supreme Council was one new factor; the proposed expert enquiry was a second; the fact that le Rond, Stuart and Marinis had all left or could leave Silesia, and would be available at Paris to explain their real meaning was a third.

I gathered from the Ambassador that the real apprehensions of the French arose (1) from a possible explosion of public opinion in France in the event of any more attacks upon French officers or soldiers in Silesia, to which I replied that if the provocation were not given the attacks would probably not be delivered; and (2) from the fact that the orders for the despatch of the French division had already been issued and widely advertised; and that their cancellation now would be tantamount to a German victory, and would convey the universal impression that Berlin had been put up by us to refuse successfully the passage of French forces.

I met this argument by expressing an immediate willingness to give such advice to the German Government in reply to their request conveyed in Lord d'Abernon's telegram No. 390,⁵ as would prevent this danger. After prolonged discussion, I submitted formula contained in my telegram No. 188⁶ to Berlin, this advice being conditional upon abandonment by French Government of proposal to send French troops. In other words: German Government, if they act upon this advice—about which, after a subsequent conversation with the German Ambassador I entertain little doubt—will inform French Government that though convinced of legal validity of their right to refuse—as to which there can be no doubt—they nevertheless withdraw this objection and are prepared to let question be decided on political grounds by forthcoming meeting of allies. M. Briand having obtained by this concession technical right to send French troops, will then desist from sending them.

³ See No. 219.

⁴ No. 243.

⁵ No. 250.

⁶ No. 256.

Above is nature of agreement proposed by me and accepted by French Ambassador subject to reference to his Government.

I made quite clear to him and he recognized that if, after obtaining this concession French take advantage of it to persist in sending troops, it would mean a rupture with ourselves.

Arguments contained in this telegram may enable you to explain or reinforce position with Quai d'Orsay.

Repeated to Berlin No. 189 and Rome No. 326.

No. 258

The Marquess Curzon of Kedleston to Mr. Kennard (Rome)

No. 327 Telegraphic [C 15006/92/18]

FOREIGN OFFICE, *July 25, 1921, 10.30 p.m.*

Silesian question:

My telegrams to Paris and Berlin, repeated to you, will have explained present position. I have been greatly encouraged throughout controversy by belief that sentiment of Italian Government is in all essentials identical with the views which I have expressed; and I now look forward to meeting of Supreme Council, with earnest hope of co-operating with Italian Ministers in seeking a peaceful solution of the most difficult problem with which the Allies have been faced since the end of the war.

Please speak to Minister of Foreign Affairs in this sense.

No. 259

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 26)

No. 526 Telegraphic: by bag [C 15153/92/18]

PARIS, *July 25, 1921*

Sir H. Stuart's telegram No. 284.¹

Official telegram to the Conference of Ambassadors has now been received and circulated. Copy² is enclosed in my despatch No. 2112 of to-day's date.³

At my interview yesterday⁴ I called M. Berthelot's attention to this telegram to the Conference of Ambassadors, but he would not express any opinion on the proposal. Although the French Government have on two previous occasions rejected it, it is possible that they may in certain eventualities agree to it on the present occasion since it offers (1) an alternative to an immediate meeting of the Supreme Council, which His Majesty's Government might they hope be ready to accept (2) a plausible way of saving the French Government's face if they are compelled by His Majesty's Government to go back on their published intention to send French reinforcements.

¹ No. 243.

² Dated July 24, not printed.

³ Not printed.

⁴ See No. 252.

I shall be glad, therefore, to be furnished with Your Lordship's instructions as to what attitude I should adopt towards this proposal, since it is now technically before the Conference of Ambassadors.

Possible acceptance of this proposal by the French is foreshadowed by M. Herbette (a regular mouthpiece of the Quai d'Orsay) in the *Temps* this evening.

No. 260

*Mr. Phipps¹ (Brussels) to the Marquess Curzon of Kedleston
(Received July 26, 11 p.m.)*

No. 141 Telegraphic [C 15223/92/18]

BRUSSELS, July 26, 1921, 3.25 p.m.

Minister for Foreign Affairs sent for me this morning and told me that Monsieur Briand had announced to Belgian Ambassador at Paris his intention of inviting Belgian Government to Supreme Council at Boulogne on August 4th.

Monsieur Jaspar told me he was well aware that according to Treaty of Versailles, only the five Principal Allied and Associated Powers were concerned in settlement of Upper Silesia, but he urged most strongly that Belgium who was deeply interested in maintenance of peace in that region, should at any rate be consulted. He declared he did not wish this matter to create any friction between His Majesty's Government and French Government and that he would only accept an invitation to attend Conference with approval of former. He laid stress however on deplorable impression which would be created in Belgium if it were known that His Majesty's Government had opposed acceptance by Belgium of French invitation.

Monsieur Jaspar observed that he had already suggested that question of Leipzig trials which had aroused so much indignation in Belgium should be placed on agenda of next Supreme Council² and this was a further reason for presence of Belgian representatives at that meeting.

His Excellency will be glad to learn views of His Majesty's Government as soon as possible.³

¹ Counsellor in H.M. Embassy at Brussels; Chargé d'Affaires, July 25–September 1.

² See Vol. XV, Chap. VI, No. 102, minute 5, and No. 103, minute 2 and appendix 2.

³ See No. 279, below. In his telegram No. 142 of July 26, Mr. Phipps stated that 'Minister for Foreign Affairs told me confidentially that Monsieur Briand had informed Belgian Ambassador in Paris that the French Government were determined to invite Belgium to next Supreme Council and that if His Majesty's Government objected, entire responsibility would rest on them'.

No. 261

The Marquess Curzon of Kedleston to Sir M. Cheetham (Paris)

No. 425 Telegraphic [C 15153/92/18]

FOREIGN OFFICE, *July 26, 1921, 7 p.m.*

Your telegram No. 526 (of July 25th).¹

You are authorized to press in Ambassadors' Conference for adoption of Anglo-Italian proposal for immediate handing over of certain districts to Germany and Poland respectively. The attitude which we have taken up on the question of the despatch of French reinforcements, as explained in my telegram No. 421 of yesterday,² will of course preclude the proposal being accepted as an alternative to the immediate meeting of the Supreme Council which now remains fixed, we hope, for August 4th. But its adoption should, for the reason you suggest, facilitate the abandonment by the French of their plan of sending another division to Upper Silesia.

You may make use of arguments originally urged by us in respect of similar proposal made in May last (see my telegram No. 222)³ to which you may add that ultimate withdrawal of allied forces will be facilitated and accelerated. Further I think that acceptance of this proposal without further delay may both ease the atmosphere and lighten the labours of impending meeting of Supreme Council.

Repeated to Rome No. 329 and Berlin No. 190.

¹ No. 259.

² No. 257.

³ No. 36.

No. 262

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received *July 27, 9.55 a.m.*)

No. 533 Telegraphic [C 15228/92/18]

Immediate

PARIS, *July 26, 1921, 11.42 p.m.*

Your telegram No. 422.¹

I spent an hour with Monsieur Berthelot and went over most of the ground covered by Your Lordship's conversation with French Ambassador of July 26th [25th].² I discovered, however, very soon that Monsieur Berthelot's attitude had hardened. He was not ready to discuss points in detail and met arguments contained in second paragraph of your telegram of [?]with the bare statement that the right to send French reinforcements could not be challenged by quoting the text of Treaty of Versailles or controverted by any of the reasons given to Monsieur de St. Aulaire. He did indeed say that we

¹ In the Foreign Office it was noted that this reference was 'irrelevant' and suggested that the number intended was probably '421', i.e. No. 257.

² See No. 257.

had exercised, in sending naval reinforcements to Constantinople,³ the same inherent right which French now claim: but otherwise he based his justification for despatch of French troops to Upper Silesia on the three grounds of security, sovereignty and honour. I naturally expressed some surprise and he stated quite frankly that his Government had taken up a new position. It was with developments of this one argument, that a nation has the right to take measures for defence of its forces when once engaged and threatened, that he met remaining contentions summarized in Your Lordship's telegram. I was quite unable to move him to take other considerations into account, and he insisted that dangers which despatch of troops was designed to meet would only be intensified if Supreme Council were to assemble in the near future. He demurred to the suggestion that French Ambassador had accepted any 'agreement' for reference to French Government and I understood that they held to their view that they could not agree to the meeting of Supreme Council on August 4th unless troops were to be sent.

I therefore drew Monsieur Berthelot's very particular attention to the exact words of your intimation to Monsieur de St. Aulaire, that it would mean a rupture with us if French took advantage of your most recent proposals to despatch fresh forces. Monsieur Berthelot replied that he understood that a rupture would in that case be inevitable. I left a copy of your telegram No. 421 with him to avoid any possibility of misunderstanding.

Monsieur Berthelot seemed, nevertheless, to be taken aback by this definite warning and though he said that he appreciated the gravity of the situation which I impressed on him I think it is possible that further telegrams which have now either reached or are on the way to French Embassy in London may represent the attitude of French Government as less unbending than would appear as the result of my conversation this afternoon. I learn accidentally that Monsieur Briand has returned to Paris this evening. A Cabinet Council will be held on Thursday⁴ and it is difficult to believe that some effort will not be made to get nearer to an understanding.

I should add that Monsieur Berthelot told me that Monsieur Laurent has been instructed to inform German Government that their latest reply⁵ is merely a dilatory one, that they are thereby taking their responsibility and that France is ready to take hers. He gave me to understand, however, that it was not intended to make any further communication to Berlin until a clear site [*sic*] as between British and French Governments had been reached.

³ In the course of a minute of July 27 Major Ottley commented: 'The analogy of our sending troops to Constantinople is of course valueless. Firstly because we pay for them, whereas the Silesians are expected to pay for the troops there employed and secondly because naval forces do not, like land forces, have to be accommodated by billeting [*sic*], etc. causing direct inconvenience to the population and necessarily leading to friction. It was for this reason that the strength was fixed by the Supreme Council at 18 Battalions and this decision cannot be overruled by France at will.'

⁴ i.e. July 28.

⁵ No. 251.

No. 263

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received July 28, 10 a.m.)

No. 396 Telegraphic [C 15287/92/18]

BERLIN, July 27, 1921, 5.30 p.m.

Following note has been sent by Minister for Foreign Affairs to French Ambassador to-day.

I am now in position to inform you of point of view taken up by German Government relative to question of transport of French division across Germany which has been subject of various discussions. German Government having regard to wish expressed by Your Excellency has no intention of dealing with this question exclusively from legal point of view. In meantime it has become known that Supreme Council is going to meet in few days' time and will deal with this question. German Government does not hesitate to state hereby that it will acknowledge decision of Supreme Council.

No. 264

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received July 28, 2.45 p.m.)

No. 397 Telegraphic [C 15351/92/18]

BERLIN, July 27, 1921, 1.24 p.m. [sic]

My immediately preceding telegram.¹

Minister for Foreign Affairs called on me this evening and stated that his note had been sent to French Embassy at 2 o'clock. At 4.30 French Ambassador called on Chancellor, Minister for Foreign Affairs being present. French Ambassador said that he had asked for interview before receiving Minister for Foreign Affairs' note. He thought however that interview would not be useless. German Government had written three times but their answers were evasive. German Government said that questionable points would be submitted to Supreme Council, but French Ambassador was not aware that French Government had agreed to discuss questions before Supreme Council. He must insist on receiving a reply 'Yes' or 'No' before noon tomorrow, regarding transit of French troops to Upper Silesia. In case this reply does not say clearly that German Government are going to transport French troops across Germany or if he receives no reply by noon, French Ambassador will at once advise his Government to take necessary steps against Germany. He hinted that these steps would be of most serious nature. He said that German Government have doubtless measured the consequences. French Government have certainly measured them.

In subsequent conversation French Ambassador said that France wished to send reinforcements in the interest of safety of French troops which were

¹ No. 263.

menaced or might be menaced by Poles as well as by Germans. Rosen replied, 'In this case demand ought to have been made on that ground and (? not) on the ground of treaty obligation, accompanied by a very sharp note which put all the blame on Germany and did not mention any Polish fault'. French Ambassador finally said, 'As you have proposed to drop legal side I will not discuss (? exchange of notes) further'. He recognised courtesy and moderate tone of last German communication.

Rosen asked French Ambassador to extend period of ultimatum so as to allow time for communication to Paris of their last note (my immediately preceding telegram) and time also for receipt of French Government's reply thereto. This Monsieur Laurent . . .² do his best to do and [? but] maintained his ultimatum for noon tomorrow.

Repeated to Paris.

² The text is here uncertain.

No. 265

*Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 28, 8.30 a.m.)*

No. 538 Telegraphic [C 15290/92/18]

Immediate

PARIS, July 27, 1921, 11.10 p.m.

In view of the refusal of the French representative on the Ambassadors' Conference to discuss at the meeting this morning the Anglo-Italian proposal¹ for the handing over to Germany and Poland, respectively, of certain districts of Upper Silesia, the Conference decided to refer matter to Governments concerned. In the circumstances, I thought it best to communicate at once to the French Government your reasons for advocating adoption of Anglo-Italian proposal. I therefore saw the President of the Council this afternoon and handed him a French translation of memorandum, copy of which is enclosed in my despatch No. 2150 of to-day's date.²

Monsieur Briand received me with every sign of friendliness and after reading memorandum listened to such further remarks as I had to offer in explanation of Your Lordship's views. I stated that in approaching him on this question I was acting without specific instructions from my Government.

The President of the Council then said that the Anglo-Italian proposal could be regarded either from the point of view of effectives required in Upper Silesia or of the attribution of a part of that territory to given Powers. Both of these questions in his view should be discussed by the Supreme Council. He did not see his way to accept Anglo-Italian proposals as they stood but he would include them in the material bearing on the difference of opinion between our two Governments which he intended to submit to the French Cabinet tomorrow morning July 28th.

I asked at this point if Monsieur Briand considered the proposals as of value in our mutual efforts to find a solution. He said, that without giving

¹ Cf. No. 261.

² Not printed.

any definite opinion, he thought that they might contain elements which he could include in the propositions which he would make to His Majesty's Government after hearing the opinions of his colleagues tomorrow morning.

Monsieur Briand took pains to impress on me that it was a mistake to suppose that he had not always been in favour of a meeting of the Supreme Council, and he seemed to expect that experts would be able to meet tomorrow. I made no observation as I am awaiting your instructions as to what British experts now here should do. On return to the Embassy I learnt that French have summoned meeting of experts tomorrow at 4 p.m.

I should make it clear that Monsieur Briand subordinated his remarks in general to the condition that he could not speak definitely until he had consulted his colleagues tomorrow.

No. 266

The Marquess Curzon of Kedleston to Sir M. Cheetham (Paris)

No. 2075 [C 15319/92/18]*

FOREIGN OFFICE, July 27, 1921

Sir,

The French Ambassador called upon me this afternoon, to present the official reply of his Government¹ to the latest propositions which I had made to his Excellency two days ago.²

A forecast of this reply had reached the Foreign Office in the morning, in the shape of the telegram in which you reported the results of an hour's conversation with M. Berthelot the previous afternoon.³ I had hoped that the attitude taken up by M. Berthelot—which had seemed to all the members of His Majesty's Government who had read the report to be one of a very serious and even menacing description—might find some modification in the instructions despatched to the French Ambassador. But when the latter began to speak, and still more when he read to me the contents of the document which he had been instructed to present, I was rudely disillusioned. Perhaps it would be well that I should append at once a translation of the document which he handed in, and then proceed to summarise the observations with which he accompanied it.

The Ambassador said that the situation had been changed by the overwhelming effect that had been produced in France by the reply received by the French Ambassador in Berlin. This had been published in the French press, and had produced an emotion which could not be exaggerated.

At first I was under the impression that the Ambassador was alluding to some new reply from Berlin, which I had not seen, and which, after the advice that I had given to the German Government only two days ago with regard to the further rejoinder that they were to make to the French representations yesterday morning, seemed to me quite inexplicable. His Excellency,

¹ The original French text of this note is printed as No. 267 below.

² See No. 257.

³ See No. 262.

I said, would remember that, upon his initiative, I had telegraphed to Berlin a formula which he had himself accepted and which was designed to remove all tension between Berlin and Paris, by suggesting to the German Government that, instead of standing, as they had a perfect right to do—as the Comte de Saint-Aulaire himself had admitted—on the legal validity of their case in refusing transmission to large Allied forces across Germany unless facilities for them were demanded by the Allies in conjunction, they should withdraw this claim, on the ground that the question was a political one, which it was for the Powers to decide. The only information I had since had from Berlin was that the German Government proposed to act upon this advice.⁴ I was accordingly at a loss to understand how the reply could have produced the impression which the Ambassador ascribed to it.

It presently turned out, however, that he was alluding to the original reply of the Berlin Government, in which they had taken the line of refusing the French request as inconsistent with the terms of the treaty, unless it was endorsed by the other Allies.⁵ He represented this reply as one of extreme and intolerable insolence.

I said that I was rather surprised to hear this, because, when we had our conversation two days ago, he had not made this discovery, and I found it difficult to believe that a communication which had not struck the Ambassador in that light should have produced such a profound impression in France.

His Excellency replied that public opinion in France, in cases of this description, was a factor which no Ministry could disregard, inasmuch as the matter involved the honour of France and the safety of her troops. She could not allow herself in these respects to be treated in such a manner by Berlin. French opinion would be all the more excited and the results would be all the more serious because it would be universally believed in France that Germany would never have acted in this manner, were she not convinced that Great Britain was behind her.

I warmly repudiated this suggestion, as one which the Ambassador himself knew to be totally destitute of foundation. I reminded him that, not only had we no knowledge of, and no responsibility for, the first German reply, quite apart from its juridical soundness (which appeared to be incontestable) but that I had devoted my best efforts to ameliorating the German attitude, and to removing any suspicion, in even the most sensitive quarter, that France could be regarded as having been humiliated by anything that was said or done in Berlin. In these circumstances, it seemed to me intolerable that Great Britain should be made the victim of these charges.

His Excellency said that, of course, he did not make or entertain them for one moment, but that nothing would alter the impression that would exist in France. Accordingly, the French Government rested their case, firstly upon the alleged unanimous demand for reinforcements by the Allied

⁴ In his telegram No. 395 of July 26, not printed, Lord D'Abernon stated: 'Minister for Foreign Affairs said that he would propose to Cabinet this afternoon to act on Your Lordship's advice.' Cf. No. 264.

⁵ See No. 248.

Commission ten days ago,⁶ and secondly upon the imperative necessity of not giving way to Berlin.

I pointed out to the Ambassador that both he and I were placed in a very embarrassing position, because, as far as I could see, he had been entirely thrown over by his own Government, and the efforts I had made to conciliate M. Briand had been barren of any result. I had, after our conversation of two days ago, at once despatched the British experts to Paris to meet M. Briand's wishes; I had agreed to the meeting being held in Paris instead of Boulogne; I had persuaded Mr. Balfour to alter his arrangements in order to go to Paris with me; I had exerted myself with the German Ambassador to remove all ground of difficulty in Berlin; and now M. Briand turned round, threw in my face all these concessions, and actually—because we declined to acquiesce in a movement of troops for which we saw no need, and which the body which originally recommended it no longer considered to be required—threatened, not merely a cancellation of the meeting of the Supreme Council, but even, to use his own words, a conflict between Great Britain and France.

I then turned to the document itself, and first enquired whether I was to take it as representing the decision of M. Briand and the French Cabinet? I had heard that M. Briand was only to arrive in Paris this evening, and was to hold a Cabinet Council to-morrow. In these circumstances I was entitled to ask whether this was the considered judgment of the French Government, or whether it was merely a repetition of the reply of M. Berthelot?

To this the Ambassador replied that M. Briand, though in the country, had ample opportunities of communication by telephone with the Quai d'Orsay and his colleagues, and that there was no ground to suppose that his message did not represent the considered view of the French Government.

This, I said, seemed to me to aggravate the gravity of the case. I would not, on the spur of the moment, having only heard the paper read through rather hurriedly by His Excellency, say more on the present occasion than that it struck me as deplorable that such a communication should have been presented to me by our ally. Any further observation upon it I must reserve until I had consulted my colleagues. The matter was so serious that it could be dealt with only at a Cabinet Council. I would take steps to see that such a meeting was summoned for to-morrow morning, in order that full consideration might be given to the communication made to me by His Excellency. I hoped to hand him our reply to-morrow afternoon.⁷

When I asked him whether the French Government had fully measured the seriousness of the step which they had threatened, and its consequences upon the Alliance, he replied that public opinion in France—which seemed to be the decisive factor in his argument—took a very different view about the value of the Alliance from that held a few years ago. A series of events had considerably shaken the confidence which Frenchmen had previously had in the Alliance. He did not make these remarks upon instructions from his Government but he thought it his duty to communicate them to me, as expressing his own opinion. Firstly, great disappointment had been caused

⁶ See No. 231.

⁷ See No. 272, n.1, below.

by the failure—for which he did not personally attribute any blame to us—of the Anglo-American guarantee,⁸ in return for which France had been willing to make great sacrifices, gaining nothing whatever in return. Secondly, there was the conviction that existed in France that every conference that had taken place had resulted in a French defeat and a British victory, while nevertheless France was liable to be taunted in public speeches with having failed to observe the Treaty of Versailles. Thirdly, there was the Russian policy of Great Britain, which owing to the Trading Agreement we had made,⁹ and the decisions of our Law Courts,¹⁰ had resulted in what was regarded in France as a spoliation of the property of the petty French capitalists. All these circumstances had produced an atmosphere which no French Government could possibly ignore, and of which the present situation was a test.

Before leaving, the Ambassador, who was, I think, conscious of the extreme gravity of the position, which the attitude of his Government had created, implored me, in the interests of the Alliance to which we jointly attached so much value, to see whether His Majesty's Government could not make a concession which would enable everything to go on as before. All we had to do was to withdraw our objection to the march of the French division to Upper Silesia. We should have conceded nothing of any value; Berlin would receive a deserved rebuff, and French *amour-propre* would be consoled.

I listened with respect to the concluding words of his Excellency, and replied that a response, taking into full consideration all the facts of the case, would be handed to him by me to-morrow afternoon.

I am, &c.,

CURZON OF KEDLESTON

⁸ The Franco-American treaty of June 28, 1919 (for the text, see *B.F.S.P.*, vol. 112, pp. 216–18), had not been ratified by the United States.

⁹ See Vol. XII, Chap. V, No. 845.

¹⁰ See *The Times*, July 14, pp. 4 and 15.

No. 267

Note from the French Ambassador to the Marquess Curzon of Kedleston

(Received July 28)

[C 15319/92/18]

FRENCH EMBASSY, LONDON, July 27, 1921

Répondant à la demande formulée dans le télégramme collectif des Hauts Commissaires alliés,¹ le Gouvernement français a fait connaître, le 16 Juillet, aux Gouvernements anglais² et italien qu'il estimait indispensable d'envoyer des renforts en Haute Silésie et qu'il invitait le Gouvernement de Berlin à prendre les mesures nécessaires pour assurer leur passage au travers de l'Allemagne.

¹ No collective telegram was sent until July 19. Cf. No. 272, below.

² See No. 225.

A ce moment là, tout en déclarant qu'elle n'était pas en situation de participer à l'envoi de renforts, la Grande Bretagne n'a pas soulevé d'objections de principe au départ d'une division française.³ Depuis, elle a fait savoir au Gouvernement de Paris qu'elle ne pouvait accepter l'envoi d'une division française.⁴

En même temps, l'Allemagne, dans une note d'une insolence à peine déguisée, priait la France de lui faire savoir si la demande qui lui était adressée l'était au nom des trois Puissances ayant des troupes en Haute Silésie.⁵

En présence de cette note et de sa publication, comme de la réponse anglaise, la position du Gouvernement français change. L'envoi des renforts français en Haute Silésie n'aura plus lieu au nom des Alliés et pour la défense commune. Elle est décidée pour des raisons de sécurité des troupes françaises, dont le Gouvernement français est seul juge dans sa souveraineté.

L'affirmation anglaise qu'il n'y a et n'y aura aucun danger ne peut lui suffire. Le Gouvernement français juge ses troupes en danger aujourd'hui et encore plus demain. S'opposer à ce que des renforts leur soient envoyés, ne serait un acte ni correct ni amical de la part d'Alliés.

La France ne réclame aucun privilège en Haute Silésie, où ses alliés lui ont laissé cependant toutes les charges et toutes les responsabilités.

Le Conseil militaire interallié avait, en effet, d'abord décidé, sur l'avis formel des militaires, que 60,000 hommes étaient nécessaires pour assurer l'exécution du traité en Haute Silésie.⁶ Seule la France a fait les sacrifices et envoyé les effectifs prévus. Elle ne comprend pas qu'ensuite on désire lui imposer l'avis d'un général anglais et encore moins que l'on accepte sans contrôle les calomnies allemandes.

La position prise par elle et où aucun avis impartial et sincère ne peut lui être imposé, c'est que du côté polonais comme du côté allemand, la situation en Haute Silésie est instable et que les effectifs qui ont été insuffisants pour désarmer les insurgés le sont à plus forte raison pour imposer la décision des Puissances. Des conflits risquent de se produire, de mettre l'existence même des troupes françaises en danger et d'entraîner les Puissances à une intervention dont les conséquences seraient de la plus haute gravité car la France n'entend pas laisser remettre en question par l'Allemagne le Traité de Versailles.

Le Gouvernement français, malgré son désir de n'agir que d'accord avec ses alliés, ne peut s'incliner devant les vues de la Grande Bretagne quand il s'agit de la vie de ses soldats et qu'il s'est engagé à Berlin. Il y a là des questions de sécurité et d'honneur dont il est seul juge. Il a donc chargé son Ambassadeur à Londres de faire savoir à Son Excellence le Principal Secrétaire d'Etat de Sa Majesté aux Affaires Etrangères *qu'il ne peut accepter la réunion du Conseil Suprême pour le 4 Août si le Gouvernement anglais maintient son opposition à l'envoi de renforts français en Haute Silésie.*

L'attitude du Gouvernement anglais, si elle était maintenue, conduirait directement à un conflit franco-anglais, car on verrait la Grande Bretagne

³ See No. 231, n. 4.

⁴ See No. 239.

⁵ See No. 248.

⁶ See No. 172, n. 4.

appuyer directement l'Allemagne contre la France. L'Allemagne a, en effet, opposé à la France un refus à peine simulé et l'Ambassadeur de France à Berlin a été invité à faire savoir à M. Wirth qu'en agissant ainsi, le Gouvernement allemand prend des responsabilités dont il a sans doute mesuré les conséquences et qu'il appartient au Gouvernement français de prendre les siennes.

Sa Seigneurie le Marquis Curzon of Kedleston est trop averti des questions internationales pour ne pas saisir combien la présente situation est sérieuse. Il ne peut manquer de reconnaître que la France a le droit et le devoir de pourvoir à la sécurité de ses troupes, ce qui est une question de souveraineté. L'Ambassadeur de France, étant donné l'attitude publique de l'Allemagne, désire en recevoir le plus tôt possible l'assurance en apprenant que la Grande Bretagne se range à l'avis du Gouvernement français.

L'Ambassadeur de France aime à penser que Sa Seigneurie le Marquis Curzon of Kedleston emploiera toute sa haute autorité pour éviter que la question qui si pose ne mette en opposition les deux Gouvernements qui ont si fortes raisons pour rester unis conformément à leur sentiment public et à l'intérêt général.

No. 268

General Sir W. Heneker (Oppeln) to the Marquess Curzon of Kedleston
(Received July 29, 12 noon)

No. 296 Telegraphic [C 15439/92/18]

OPPELN, July 28, 1921, 10.30 a.m.

My telegram No. 293,¹ Cziergowitz incident.

It now appears that there is great divergence of opinion on the matter of the raid. Italians, in whose area raid took place, state that it was carried out by 80 Poles, while, as I reported, a British officer states that 150 Germans made raid.

Commission have ordered an enquiry. From what I can learn there was activity on both sides. So far I have taken little notice of many wild stories which are in circulation here, but during last three days frequent representations have come in with reference to a Polish *putsch* which it said will be launched before meeting of Supreme Council. None of these reports came from British area, but all from French zone and district along line of the Oder south of Cosel. There is no doubt that a certain activity exists among Poles in *kreises* of Rybnik and Pless, but what it means it is difficult to say. A British officer reported to me this morning that yesterday between Myslowitz and Pless he saw several hundred men in Polish and police uniform within Upper Silesian frontier. A few of these carried arms. Reports state that they will be backed up by their friends the French, and that the British are too weak to take any action. After Commission today I placed the worst of my reports in

¹ Of July 26, not printed. This had reported an attack on July 25 'by 150 Germans' on the village of Cziergowitz in the district of Kosel.

le Rond's hands and told him that I considered them so serious that I (? felt) he ought to know what the Poles are saying about the French. I arranged with him that the whole matter should be discussed in Commission tomorrow together with orders which General Gratier has issued for combined Allied military action in cases of rising. This military plan, although issued by Gratier, has not so far received approval of Commission, and le Rond himself tells me that he does not agree with military plan which I outlined in my H 43 to War Office.² I told le Rond that if he did not agree to it the sooner he discussed it the better, as this plan (? would be) put into execution in case of a rising pending formal sanction of Commission. I have this in writing from Gratier. I am not an alarmist and do not really think that Poles will make another *putsch*, but I feel that were they to do so all the work of the past two months would be wasted and settlement of country would have to be postponed again. There is no doubt that Poles will not rise if they know that French do not countenance it. I am aware that this matter is a difficult one upon which to approach the French, but I am doing what I can here and, were it possible to obtain a definite undertaking from French Government that French troops in Upper Silesia will co-operate with us and Italians in putting down any rising, be it German, Polish or Upper Silesian, there would be nothing to fear.

Repeated to Paris, Warsaw and Berlin.

² Not traced in Foreign Office archives.

No. 269

The Marquess Curzon of Kedleston to Sir A. Geddes (Washington)

No. 461 Telegraphic [C 15432/92/18]

FOREIGN OFFICE, *July 28, 1921, 10 p.m.*

You will have observed in press that dispute as regards Silesia, principally between French and ourselves, though we have good reason to believe that the remainder of allies entirely share our views, has reached somewhat serious dimensions. We do not know whether American Government are interested in the matter or would like to be kept informed. Please mention it to Secretary of State, and if he would like to receive any detailed explanation I shall be very glad to furnish it by telegram to you.¹

¹ In his telegram No. 515 of July 29, not printed, Sir A. Geddes replied: 'Secretary of State would like to receive fullest information.' Foreign Office telegram No. 475 of August 2, not printed, gave Sir A. Geddes the substance of a memorandum on the Silesian situation which was sent in full to the U.S. Ambassador in London on August 3. Cf. No. 80, n. 2.

No. 270

The Marquess Curzon of Kedleston to Lord D'Abernon (Berlin)

No. 191 Telegraphic [C 15325/92/18]

FOREIGN OFFICE, July 28, 1921, 10 p.m.

Your telegrams Nos. 397,¹ 398² and 399.³

In view of temper of French and apparent desire of French Government to create a situation, you should impress upon German Government desirability of avoiding any incidents which might give excuse to French of which latter would take immediate advantage, and generally of controlling the attitude of German people.

¹ No. 264.

² Of July 27, not printed. In this Lord D'Abernon referred to Nos. 263 and 264 and said that at the end of the interview with Dr. Rosen therein recorded the German Minister had said: 'Chancellor has considered situation and finds it impossible to continue giving way to perpetual menaces. German Government will accept consequences whatever they may be. German Government cannot justify [?] to public opinion acceding to demands not based on any treaty rights.' At the same time, Dr. Rosen had added: 'We are doing everything possible to keep our people in Upper Silesia quiet.'

³ Of July 27, not printed.

No. 271

General Sir W. Heneker (Oppeln) to the Marquess Curzon of Kedleston
(Received July 29, 10.15 p.m.)

No. 299 Telegraphic [C 15448/92/18]

OPPELN, July 29, 1921, 10 a.m.

At this morning's meeting of Commission, I brought up question of military plan submitted by General Gratier, and agreed to by Italian commander and myself. I found General Gratier had submitted such an incomplete record of decisions which we had passed that I was not surprised when le Rond said it was useless. I had to explain plan in detail and having done so proposed following should be inserted as . . .¹ order which should guide action of allied troops: to put down by force any armed rising against authority of Inter-Allied Commission no matter whether it be of German, Polish or Upper Silesian origin. Le Rond said that it was useless to put such a paragraph in, for naturally troops would act against any rising and it was not until I was compelled to draw his attention to manner in which French had failed to act during last Polish rising, owing, I supposed, to lack of clear orders, that he gave way. Acting Italian Commissioner supported me with reference to necessity for above paragraph, but he said that so far as main plan went, of concentration in industrial area in case of general rising, he had just heard from General de Marinis, who is in Rome, that latter could never agree to Italian troops leaving line of Oder at Cosel and Ratibor. Italian communications

¹ The text is here uncertain.

with Italy ran south along this river. Italian troops attached to British and French, act with them but remain Italian, and could not leave Oder with a view to concentrating about Tost. They would, however, be prepared to concentrate at Ratibor and from this place would co-operate with British and French in the best manner possible. And so plan stands and whether good or . . .² serves as a basis for issuing decisive orders on the subject.

In conclusion le Rond said that first essential, in his opinion in drawing up plan, was to make a request for more troops, but I told him plan was one to deal with present and not with future. He said he considered troops here too few to deal with a rising and this expression of opinion, is, I think, a point worth noting. I told him, however, that I wished it clearly understood that, whatever form rising took, British troops would not sit down and do nothing but would shoot down all who opposed them.

² The text is here uncertain.

No. 272

*Memorandum communicated by Lord Hardinge to M. Briand**

[C 15432/92/18]

PARIS, July 29, 1921¹

The note delivered to the Marquess Curzon of Kedleston by the French Ambassador yesterday² has made upon His Majesty's Government a most painful impression. It is couched in parts in language which must be rare in diplomatic intercourse, and rarer still in the relations between Allies who have only recently emerged from the stress of common sacrifice and common suffering during four years of war, and who in the two and a half years that have since passed, have been co-operating, not unsuccessfully, in the scarcely less anxious task of bringing back a stricken world to peace.

The note has been submitted to and carefully considered not only by His Majesty's Ministers, but by a meeting of the Premiers of the British dominions and the representatives of India, now in London,³ whose title to a voice in anything concerning the relations between Great Britain and France, to whose battlefields they contributed many hundred thousands of men, is beyond dispute. The present reply represents their collective views.

It is with no small surprise that they have observed that, on the basis of a number of statements and particulars, of which the accuracy cannot be admitted, the French note sets forth a series of complaints against the action and attitude of the British Government for which there is no warrant whatever, and culminates in a definite threat that, unless and until they definitely associate themselves with a measure which they are bound to regard as not merely uncalled for, but dangerous, the French Government will refuse to

¹ This reply to the French note of July 27 (No. 267) was transmitted to Paris under cover of Foreign Office despatch No. 2085 of July 28, not printed, which instructed Lord Hardinge to deliver it 'personally to Monsieur Briand at the earliest possible moment tomorrow morning'. A copy of this memorandum was communicated to the French Ambassador.

² No. 267.

³ See No. 219, n. 2.

meet them in conference, and that the direct result will be an Anglo-French 'conflict'.

So grave and unprecedented a communication from an ally naturally gives rise to the suspicion that it has been made under a serious misapprehension of the essential factors of the situation. His Majesty's Government feel it to be incumbent on themselves, in the first place, to set out the facts in their true light.

It was on the evening of the 16th July that the French Ambassador communicated to the Foreign Office a note⁴ to the effect that, on the strength of information received by them from General Le Rond and the Polish Government, the French Government proposed to send an additional division to Silesia, and that their Ambassador at Berlin had been instructed to ask, among other things, for facilities for the transport of the division across Germany. This happened to be a Saturday. The note was carefully studied on Monday, the 18th, and on the day following the Secretary of State for Foreign Affairs replied to it in an interview with the Ambassador, in which he definitely stated that, in the opinion of His Majesty's Government, additional troops were not required in Silesia and should not be sent until the matter had been discussed at the expected meeting of the Supreme Council, which he suggested should be summoned on the 28th July.⁵

It is therefore quite inaccurate to say, as does the French note, that Great Britain, whilst unwilling to send British troops, had raised no objection in principle to the despatch of a French division. The exact contrary is the case. The objection entertained by His Majesty's Government to the sending of French reinforcements was repeated by Lord Curzon to the Comte de Saint-Aulaire in a conversation on the 21st July, in which, on the strength of official telegrams from Silesia which he quoted, he stated that the situation there was not such as to justify the despatch of further French forces, the arrival of whom at this juncture might have an effect the very reverse of that desired.⁶

Two days later, on the 23rd July, in a further conversation, the Secretary of State read to the French Ambassador extracts from another telegram from the British Commissioner in Silesia to the effect that if there was to be an immediate decision of the Supreme Council more troops were unnecessary, and that if disaster were to be avoided, the sending of an additional French division should be stopped at once.⁷

Furthermore, it is to be noted that the French demand for the despatch of a French division was, as originally reported to us by Sir M. Cheetham, after a conversation with the Political Director of the French Foreign Office on the 17th July,⁸ not a demand for its despatch independently of Allied opinion or support, but was contingent upon the assent of the Allied Governments, a condition which would appear to have been subsequently forgotten, but upon which His Majesty's Government relied all the more readily as it was in entire conformity with the assurance given by M. Millerand to Lord Derby on the 9th April, 1920,⁹ and repeated in writing on the 11th April,⁹ that, in

⁴ No. 225.

⁵ See No. 232.

⁶ See No. 238.

⁷ See No. 247.

⁸ See No. 229.

⁹ See No. 247, n. 4.

all inter-Allied questions raised by the execution of the Treaty of Versailles, the French Government had no intention of acting otherwise than in accord with their allies.

In their present note the French Government declare, not for the first time, that their demand to the German Government on the 16th July¹⁰ to give facilities for the transport of the troops was based on 'the formal demand put forward in the collective telegram from the Allied commissioners.'¹¹ The only collective telegram of which His Majesty's Government have cognisance was that addressed on the 19th July to the Ambassadors' Conference at Paris,¹² to whom it was duly communicated in the form of a minute, dated the 20th July, that is to say, four days subsequently to the French demand put forward at Berlin.¹⁰ The French Government would appear, therefore, in their communication to the German Government of the 16th July, to have been acting upon some earlier report, possibly from their own commissioner.

The French Government proceed to complain that the reply made by the German Government on the 24th July to the demand of the French Ambassador for transport of troops to Silesia was characterised by 'scarcely disguised insolence'.¹³ As regards the legal validity of the plea on which this reply was based, there does not appear to be any doubt that the German Government were on strong ground. As to the tone in which the reply was couched, His Majesty's Government are bound to state that it did not strike them in the same light, nor did it seem to have produced the same impression upon the French Ambassador when he first discussed it with the Secretary of State on the 25th July.¹⁴

Whatever be the grounds on which the French Government justify their view that the immediate reinforcement of their forces in Upper Silesia is necessary, His Majesty's Government are quite unable to accept the position that the decision in such a matter is entirely in their own hands, requiring no previous understanding with their allies. Such a claim cannot be harmonised with the essential conditions governing the employment of the Allied forces in Upper Silesia. Those forces are placed at the disposal of the Inter-Allied Commission for the purpose of enabling them to discharge the duty entrusted to them under the treaty of ensuring the execution of those of its clauses which regulate the status of the territory.

It is true that, in accordance with the arrangements made by the Supreme Council in 1919, the inter-Allied force has been composed in such a manner as to give predominance in number to the French contingent, a predominance reflected in the presidency of the commission being confided to a French general. But it will be remembered that this arrangement was but part of a general plan by which the predominance in the several areas subjected to plebiscites under the treaty was conferred upon each of the three principal Allies in different regions. The fact that in Upper Silesia the majority of the Allied troops and officials employed are French does not, however, justify the statement made in the French note that the Allies have left France to

¹⁰ See No. 227.

¹³ No. 267, para. 3.

¹¹ See No. 267, n. 1.

¹⁴ See No. 257.

¹² See No. 231.

assume all responsibilities and meet all the charges. As regards the charges, they fall not upon any of the Allies but upon the countries to whom the territory in dispute will eventually be allocated, as provided in the treaty. The responsibility remains undoubtedly with the Principal Allied and Associated Powers, on whom it was laid by the treaty, and who could not, even if they would, divest themselves of this burden. If, in the present instance, the French claim to sole responsibility, and consequently to unfettered choice of action, were to be allowed, it would follow that one Ally could, in total disregard of the opinions and wishes of the others, proceed to the military occupation of whole provinces by his own forces, without restriction as to numbers, and without regard to the real requirements of the local situation.

By applying this test of the extreme logical implication of the claim put forward in general terms by the French Government, its untenable character is at once revealed. Yet it is in reliance on such unsound considerations that the French Government wish to deny to their allies any voice in deciding upon the despatch of a French division. Nay, they go to the length of refusing to their allies the opportunity of even discussing the matter in the Supreme Council, and they demand the unquestioned acceptance by His Majesty's Government of the proposition that France, on the mere statement, in this case unsupported by independent evidence, that her forces are in danger, is at liberty, in the exercise of what are described as her sovereign rights, to order what troops she may please to the scene of common action, regardless of the effect that may be produced upon the local situation, regardless of the opinion of her Allies, and regardless of the treaty itself. Further, if this view be not at once and humbly accepted by Great Britain, we are threatened with a breach between the two countries; and this challenge, couched in words which suggest the language of an ultimatum, is explained and defended by the suggestion that a refusal on the part of His Majesty's Government to bow to the French demand would reveal Great Britain as standing behind Germany and backing her against France.

It would indeed be surprising if His Majesty's Government did not feel deeply wounded by an insinuation of such an unwarranted character. It is only three days ago that the French Ambassador, admitting—as he could not fail to admit—that the attitude of the German Government in the question of the transport facilities was technically and legally justified, begged for the Secretary of State's assistance in extricating the French Government from the difficulty in which they had become involved by their isolated action at Berlin. Not only did Lord Curzon immediately respond to this appeal by preparing, in consultation with the Ambassador, a formula designed to make the German Government, whose action he had categorically declined to support or defend in any way, give satisfaction to France as regards the substance of her demand, but His Majesty's Government thought they had the right to feel gratified at the readiness with which the German Government on their part in fact met their suggestion.

The incident would never have occurred had not the French Government put themselves in the wrong by their precipitate and single-handed action.

His Majesty's Government did their best to render innocuous the false step taken, and as a reward they are now practically accused of standing in the position of the instigators of what is described as an 'ill-disguised act of German defiance'.

This is an accusation which is destitute of the smallest foundation, and which His Majesty's Government profoundly resent. The attempt to convert the present issue, which is essentially one between the Allies themselves, into an issue between the Allies and Germany appears to His Majesty's Government to be equally lacking in fairness and wisdom, and to be fraught with dangers which they are reluctant to forecast.

His Majesty's Government would fain believe that the sentiments to which this part of the French note gives expression do not correctly interpret the innermost feelings animating the Government of their Ally.

His Majesty's Government cannot fail, before concluding, to revert once more to the very unusual language in which the French statement of their views has been expressed. In one place in the note we are told that for an Ally to oppose the despatch of reinforcements would be an act neither correct nor friendly. Elsewhere we are informed that the attitude of the British Government, if adhered to, will lead directly to a Franco-British 'conflict'. It is not known precisely what meaning or value the French Government attach to these expressions which are of a character usually associated with the severance of friendly relations, if not with worse.

In the belief that the French Government cannot have fully apprehended the interpretation that is not unnaturally attached to these phrases by those to whom they are addressed, His Majesty's Government invite an explanation on this crucial point.

The position which has been reached is manifestly one that concerns not France and Great Britain alone, but the whole of the Allied and Associated Powers. It is only by that tribunal that the matter in dispute can be resolved. Nor can it be admitted for one moment that it is in the power of one ally only, by the suspension or withdrawal of an invitation, to postpone or prevent that discussion. It is imperative that it should be held without further delay. His Majesty's Government, who have already accepted the invitation to a meeting of the Supreme Council at Paris on the 4th August, deferring to M. Briand both as to locality and date of the meeting, and as to the enquiries which are to precede it, are prepared to contribute their quota to this discussion in the interests of a common understanding. But they cannot accept the proposition that the discussions of this conference should be anticipated, or its decisions taken out of the hands of the Allies as a whole, by the isolated action of any individual Power.

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received July 29)¹

No. 546 Telegraphic: by wireless [C 15444/92/18]

Urgent

PARIS, July 29, 1921, 3.30 p.m.

I have just seen the President of the Council and carried out the instructions contained in your despatch of yesterday.²

I told him at the outset in plain terms and with the greatest frankness that the note communicated by the French Ambassador³ had created the most deplorable impression in London. I was perfectly well aware that it was not he who had drawn up the note since its contents were in complete variance with the principles of friendship and loyal cooperation with which he had so often impressed me, but that the responsibility for it rested nevertheless with him. The tone of the note was as bad as could be, and almost in the form of an ultimatum, and it seemed to place in jeopardy the edifice of the Anglo-French Entente and Alliance which it had taken nearly 20 years to build up and which had passed through the ordeal of the Great War. The note that I handed him was, I said, couched in very different terms namely those of moderation and of a desire to find a settlement on terms which would be in conformity with the previous declarations of the French Government and the provisions of the Treaty of Versailles. The facts contained in the French note were wanting even in exactitude, and this would be proved to him in the note which I handed to him. I said much more in the same sense.

Monsieur Briand accepted very calmly all that I said to him, and replied that the whole question was one of deplorable misunderstanding which he was most anxious to set right. He assured me once more of his warm desire to avoid any difficulties with us, and he remarked that the note which he had sent was not stronger than some of the communications received by the French Ambassador in London, and that the word 'rupture' had first been employed by Your Lordship. I remarked that I could not accept his statement as to the tone of your communications to the French Ambassador, which was probably based on the fact that he does not understand English thoroughly.

The President of the Council then went into a long exposition of all that had taken place during the last fortnight, and of how his own views had been affected by it. His arguments were based entirely on the joint telegram sent to the Conference of Ambassadors by the High Commissioners of Silesia.⁴ On that, he considered that it was necessary to send troops as reinforcements, and he did not consider that you in your first conversation with the French Ambassador had raised insuperable objections to their despatch.⁵ The Italian Government had, he said, agreed although they have since gone back on it; while the American Embassy which was consulted approved and stated that

¹ The time of receipt is not recorded.

² See No. 272, n. 1.

³ No. 267.

⁴ No. 231.

⁵ See No. 232.

the proposal was obviously reasonable. To this argument I replied that the High Commissioners were not the Governments, and because they considered a certain action necessary, it did not follow that the Governments which they represented should be of the same opinion. I emphasized the assurances given by Monsieur Millerand in 1920 as the obvious line of action which should be followed, and the President of the Council said that he absolutely adhered to them.⁶

Monsieur Briand then brought forward the main difficulty which is that the German Government have secured the advantage of being able to say that they will agree to the transport of troops as soon as the Allied Governments are in agreement: this the French Government feels to be a rebuff. I told Monsieur Briand that it seemed to me a very petty question of *amour propre* on which to base a possible Anglo-French conflict, and I ventured to make him a personal suggestion which I hope may at the same time meet with your Lordship's approval. I told him it was to be reckoned as a purely private and personal suggestion which I had absolutely no authority from you to make. It is to this effect that the British, French and Italian Ambassadors at Berlin should jointly inform the German Government that they must be prepared to facilitate the transport of *Allied* forces across Germany which the situation in Silesia might render necessary at any moment. At the same time the French Government will give privately to His Majesty's Government a definite assurance that no Allied force will be despatched towards Silesia before the meeting of the Supreme Council in Paris on the 4th August, when the question of the despatch of reinforcements will be discussed. I wrote this on a bit of paper and gave it to him.

Monsieur Briand thought the suggestion a good one, and the Council of Ministers is to meet this afternoon when the question will be discussed. I am to see him again at 5.30.

On leaving, Monsieur Briand expressed the hope that the Prime Minister would himself attend the Supreme Council which he said he would be quite ready to have at Boulogne to suit his convenience, but that he doubted whether it would be possible for the Italian representative to arrive before the 6th August.

My impression is that Monsieur Briand is determined to find a satisfactory solution, but I believe the difficulty to be the attitude of the President of the Republic.⁷

⁶ For these assurances, see No. 247, n. 4.

⁷ In his telegram No. 548 of July 29, Lord Hardinge reported that at that afternoon's meeting of the French Council of Ministers, M. Briand 'made, as from himself, the proposal which I suggested to him this morning and which was unanimously accepted by the Council of Ministers'.

No. 274

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 434 Telegraphic [C 15439/92/18]

Urgent

FOREIGN OFFICE, July 29, 1921, 6.30 p.m.

Sir W. Heneker's telegram No. 296 (of July 28th).¹

Whatever view may be taken by French Government of military situation in Upper Silesia, I feel confident that they are as anxious as ourselves to prevent another Polish insurrection.

I should be glad if Your Lordship could find an early opportunity of suggesting to Monsieur Briand the issue of clear directions to the French authorities in Upper Silesia that French troops shall heartily co-operate with British and Italians in putting down any movement by whomever organized, and that the fact that this will be done shall be made as widely known as possible.²

¹ No. 268.

² This telegram was repeated on July 30 by the Foreign Office to Oppeln as No. 120, to Berlin as No. 193, and to Rome as No. 335. In his telegram No. 550 of July 30, Lord Hardinge reported that M. Briand had 'promised to issue immediate definite instructions to the French authorities in Upper Silesia for the co-operation of the French troops with the British and Italians in putting down any movement that may be organised, and to take steps that this fact should be published as widely as possible'.

No. 275

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 435 Telegraphic [C 15451/92/18]

FOREIGN OFFICE, July 29, 1921, 6.30 p.m.

French Ambassador who was clearly much disturbed by our note¹ has just called upon me. He first explained that his note² had been drawn up not by French Government but by himself, on basis of instructions received by telegram from Monsieur Briand direct, to which I replied that he was so trained and experienced a diplomatist that I was confident that his summary had not travelled in any particular beyond the terms of his instructions, and must therefore be regarded as an official document.

He next implored me that our reply should not be made public. I said that, equally with him, I should regret the necessity, but that it rested with French Government by their next step, to compel or to avoid it.

He then asked, though without official instructions, whether I could make any movement that would render the situation easier for his Government. I replied that the best thing for both parties was to allow the meeting of Supreme Council to stand for Thursday next (August 4th), to cease the verbal polemic in the interval, to forget on both sides when we met that it

¹ No. 272.

² No. 267.

had occurred, and to place as the first item on the agenda paper the question whether allied reinforcements are or are not now required in Silesia. I urged immediate acceptance of Anglo-Italian proposal as best means of escaping on the one hand renewal of hostilities between Poles and Germans, and on the other hand need for further allied reinforcements, since the allied forces on the spot should be adequate for the reduced area left in occupation of Commission.

Ambassador wanted me to commit myself to an acceptance of French case for reinforcements before going to Supreme Council, but this I declined to do. Before leaving however he hinted that French *amour propre* might be satisfied by despatch of a single regiment, to which I replied that if case for this were established to satisfaction of Supreme Council I should be glad to support it.

No. 276

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 438 Telegraphic [C 15446/92/18]

Urgent

FOREIGN OFFICE, *July 30, 1921, 1.15 p.m.*

Your telegrams Nos. 546¹ and 548.²

Suggestion made by you and put forward by French Government is quite acceptable to us, and His Majesty's Ambassador at Berlin is being instructed to join with his French and Italian colleagues to act upon it. This is of course on clear understanding that no French troops will be moved in interval.

I congratulate you heartily upon your wise initiative and successful diplomacy which has given greatest satisfaction to His Majesty's Government.

We are disposed to recommend that August 8th at Paris should be date of Meeting, mainly in order to suit convenience of Italian Premier, who cannot attend earlier. In deference to Monsieur Briand's appeal, Prime Minister will come over himself.

Repeated to Berlin No. 192 and Rome No. 334.

¹ No. 273.

² See No. 273, n. 7.

No. 277

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received *July 30, 9.30 p.m.*)

No. 551 Telegraphic [C 15491/92/18]

PARIS, *July 30, 1921, 4.30 p.m.*

The President of the Council handed me this morning a long note¹ couched in conciliatory terms in which French Government give their account of different phases of negotiations which have taken place in connection with the despatch of reinforcements to Upper Silesia. It contains nothing of any

¹ No. 282 below.

real importance beyond the contention that your objections in your interview of July 20th [19th] with French Ambassador did not constitute an absolute refusal but merely showed a repugnance to the idea, together with a refusal to send a British contingent.² It expresses the hope that an effort may be made by allied Powers in Berlin to restore the position of France by a new effort, to prevent any divergence of opinion being utilised by German Government for their own ends. In the closing paragraph the note expresses hope that my conversations of yesterday³ may provide a solution which will facilitate equally an agreement upon question of despatch of reinforcements. The President of the Council again repeated to me the assurances contained in the closing sentence of first paragraph of my telegram No. 548⁴ and there is nothing whatsoever in note which can vitiate the agreement at which we arrived yesterday and which Monsieur Briand is waiting to hear that you approve.

The President of the Council told me at the same time that he proposes to bring up at Supreme Council on August 4th the question of German war criminals⁵ and he asked me to enquire of you whether you consider it desirable to raise Eastern question afresh. He was of the opinion that to do so now might be premature. He further suggested that it might be desirable to raise the question of famine in Russia and of steps that it might be possible for the Powers to take conjointly for relief of suffering populations. Before doing so he would like to have your opinion as to whether it would be opportune but in the interests of humanity he thought it desirable.⁶

I told Monsieur Briand of your conversation with the French Ambassador yesterday and he fully shared your opinion of letting bygones be bygones.⁷

² See Nos. 232 and 272.

³ See No. 273.

⁴ See No. 273, n. 7. In this paragraph Lord Hardinge reported that M. Briand had given him the most definite assurances that in the meantime no movement of any French troops towards Silesia would take place.

⁵ See No. 260, n. 2.

⁶ In his telegram No. 450 of August 3, not printed, Lord Curzon said that though 'they would not themselves have proposed discussion at Supreme Council of Russia and War Criminals', H.M.G. were ready 'in deference to the suggestion of the French Government to discuss both these questions. They also agree to the suggested exchange of views on the Graeco-Turkish situation'.

⁷ See No. 275.

No. 278

*Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received July 31, 6.5 p.m.)*

No. 405 Telegraphic [C 15496/92/18]

BERLIN, July 30, 1921, 5.30 p.m.

General le Rond passed through here this morning on his way to Paris.¹ I did not see him but understand his attitude was somewhat nervous and

¹ General Le Rond left Oppeln for Paris on July 29. In his telegram No. 301 of July 30, not printed, General Heneker stated that General Le Rond 'assured me that no Polish *putsch* was contemplated and surprised me by saying that he had communicated with them [the Poles] yesterday on the subject and had advised them to be quiet'.

depressed. He declared that he was as much at a loss as everyone else to account for French memorandum of July 16th:² he had telegraphed to Paris for an explanation. It certainly had not proceeded from any special report by him. He does not appear to have laid much emphasis on immediate danger to French troops in Upper Silesia.

From another source in close touch with Quai D'Orsay I hear no one there is anxious to claim paternity of disastrous document of July 16th, nor indeed to admit a more remote responsibility for it.

² No. 226.

No. 279

The Marquess Curzon of Kedleston to Mr. Phipps (Brussels)

No. 109 Telegraphic [C 15224/92/18]

FOREIGN OFFICE, July 30, 1921, 6.15 p.m.

Your telegram No. 142 (of July 26th).¹

His Majesty's Government would be only too anxious to show every consideration to Belgian Government but the request that Belgium should take part in Supreme Council decision in respect to Upper Silesia is one which Monsieur Jaspar must be as well aware as Monsieur Briand himself is contrary to the letter as well as the spirit of the Treaty of Versailles.

It should be clear to Monsieur Jaspar from Monsieur Briand's attitude as described by him that the motive of French Government can only be on the one hand to obtain for their policy in Upper Silesia the support of Belgium in order to flaunt it before the world, although Belgium has under the treaty no voice in the matter, and on the other hand to promote ill feeling between Belgium and Great Britain.

I must say very frankly that His Majesty's Government feel they have every right to resent this French manoeuvre, and that they would deeply regret to see the Belgian Government lending their support to it.

As regards the other matters with which the Supreme Council may be called upon to deal, His Majesty's Government would prefer not to re-open the question of the Leipzig trials, but if and when this and the question of the withdrawal of the Rhineland sanctions come to be discussed, they unreservedly recognise the right of Belgium to take their place at the conference table and will naturally welcome the presence of Belgian representatives.

¹ See No. 260, n. 3.

No. 280

The Marquess Curzon of Kedleston to Mr. Phipps (Brussels)

Unnumbered Telegraphic [C 15224/92/18]

Private

FOREIGN OFFICE, July 30, 1921, 6.15 p.m.

When acting upon instructions contained in my telegram No. 109,¹ please hand the following message from myself to M. Jaspar:—

(Begins) '*Private and Confidential*. I earnestly trust that Your Excellency, for whom I entertain so profound a respect, and who has on so many occasions intervened in friendly fashion at moments of tension between French Government and ourselves, will not misinterpret official reply which I am compelled to give to your request about attendance at Supreme Council when Silesia is discussed, and will not allow the French to make this incident a source of friction between ourselves.' (Ends).²

¹ No. 279.

² In an unnumbered telegram of July 31, Mr. Phipps reported: 'His Excellency thanks Your Lordship warmly for this kind message which he highly appreciates but he makes personal appeal to you to meet his wishes as expressed in my telegram No. 146', i.e. No. 283 below.

No. 281

The Marquess Curzon of Kedleston to Mr. Kennard (Rome)

No. 337 Telegraphic [C 15666/92/18]

FOREIGN OFFICE, July 30, 1921, 9.30 p.m.

Your telegram No. 324 (of July 29th).¹

Following is summary of negotiations with French Government on Silesian question since date of my telegram to Paris No. 421 (of July 25th).²

The French Ambassador delivered a note on July 27th³ notifying the French intention of despatching reinforcements to Silesia immediately and requesting the approval of His Majesty's Government failing which the French Government declared that they could not agree to a meeting of the Supreme Council on August 4th. The note declared that the attitude of the British Government if adhered to would lead directly to a Franco-British 'conflict'.

The note was clearly based on inaccurate information, contained not a few

¹ Not printed. Mr. Kennard had stated: 'While I was at Ministry for Foreign Affairs this evening Minister for Foreign Affairs received me before French and German Ambassadors, who had been waiting some time, owing to his anxiety as to the present situation, regarding which he appears to have no information. I told His Excellency that I had received no telegram on the subject for two days and therefore could not enlighten him as to situation. Minister for Foreign Affairs, who was very nervous as to approaching interview with French Ambassador, then stated that Italy must support England and, if the latter yielded to French insistence, she would yield, but that if His Majesty's Government maintained their attitude he must do so likewise.'

² No. 257.

³ No. 267.

unfounded complaints against His Majesty's Government and was couched in unfriendly terms.

A note embodying the considered reply of the British Cabinet and of the Colonial Premiers was handed to Monsieur Briand yesterday morning by Lord Hardinge who had returned to Paris for the purpose.⁴

This reply corrected the faulty information, repudiated the accusations and protested against the tone of the French note. It maintained the objection of His Majesty's Government to the despatch of reinforcements prior to the meeting of the Supreme Council and pointed out that the situation which had arisen was entirely due to the French independent action at Berlin. Our position was, as it had been throughout, that the case was one for allied decision and if necessary allied action, and that these could only be determined by Supreme Council for early meeting of which we again pressed. The subsequent negotiations at Paris have resulted in the acceptance of a formula which, while satisfying French *amour propre* vindicates the position taken up by His Majesty's Government vide Paris telegrams Nos. 546⁵ and 548.⁶

Copies of French note of July 27th and of reply of His Majesty's Government are being posted to you tonight.

⁴ No. 272.

⁵ No. 273.

⁶ See No. 273, n. 7.

No. 282

Reply¹ of French Government to Memorandum communicated to M. Briand on July 29, 1921

[C 15560/92/18]

Translation

PARIS, July 30, 1921

The memorandum which the British Ambassador presented this morning to Monsieur Briand,² is drawn up in a tone so firm that, were the French President of the Council to reply to it, paragraph by paragraph, in similar terms, the discussion between the two Governments, upon the conditions and guarantees contingent to the meeting of the Supreme Council called to pronounce the decisions of the Powers on the problem of Upper Silesia, would be in danger of remaining on the ground of mutual susceptibilities and of losing sight of its objective, which is to maintain the unity of the Allies *vis-à-vis* Germany, and to instill into their definite decision on Upper Silesia, the character and force of a resolution taken in common.

The French Government would like, in its turn, to emphasize certain stages of the *pourparlers* and to rectify a certain number of points in the British note. Following upon repeated and precise reports from General le Rond

¹ This translation of the French note was transmitted to the Foreign Office under cover of Lord Hardinge's despatch No. 2188 of July 30, not printed. According to an annotation on the file, the only original French version of this memorandum was sent to Lord Curzon. This version has not been traced in the Foreign Office archives.

² No. 272.

(who declared that he repudiated all responsibility) drawing attention to the powerlessness of the Commission, on account of the weakness of the effectives at its disposal, to disarm the Polish and German insurgents, the provocations and risks to which the French troops, in particular, remained exposed, by reason of the maintenance of German effectives in Upper Silesia itself or in proximity to its frontiers, finally the statement that the allied contingents would not be in a position to enforce the decisions of the Supreme Council, Monsieur Briand drew the attention of the allied and German Governments to the situation. At the same time he enquired of General le Rond if his apprehensions and suggestions were shared by his French [British] and Italian colleagues. The telegrams addressed to London, Rome and Berlin are dated the 14th of July and all refer alike to a *démarche* of the British Chargé d'Affaires at Paris, who demanded a meeting of the Supreme Council for July 25th.³ The French telegrams point out:

1. to the Allies, the impossibility of the Supreme Council being able to deliberate under the influence of a Polish or German menace, and the necessity of having, especially for the purpose of assuring the enforcement of allied decisions, sufficient forces in Upper Silesia;
2. to the German Government, the responsibilities incurred on account of outbursts of violence against French soldiers and an [*sic*] account of the maintenance upon plebiscite territory, or in its vicinity, of concealed arms and troops: no intimation of any kind was made at this time to the German Government and it was merely stated at Berlin that 'in the case of the despatch of troops, it would be necessary for the German Government to make the necessary dispositions for their rapid transport to Upper Silesia'. (M. Charles Laurent handed in a note to this effect on the 16th of July, in which it was requested that complete measures should be taken for disarmament, disbandment and dispersal of self protection troops, and that 'preparatory measures should be taken, (*préparer les mesures*) with a view to ensuring the rapid transport to Upper Silesia 'of such *allied* reinforcements as might *eventually* be sent there').⁴ Thus the Allies were advised and consulted about our *démarche*. The French Government had made no isolated intimation to the German Government of the despatch of reinforcements. At the same moment, it assured itself at Oppeln of the opinion of the three High Commissioners.

In reply to the question submitted to the Commission, the telegram of the three High Commissioners arrived on the 19th. The perusal of this telegram, even if certain lines are subject to misinterpretation, established that the three Commissioners were in agreement at this moment, on the one hand upon the unstable character of the situation in Upper Silesia, which called for the immediate attention of the Allies, and on the other hand upon the desirability of a quick decision of such a nature as to prevent further disturbances arising and, in any case (whether the decision was taken immediately or postponed) upon the urgent necessity of reinforcements. It was not possible

³ See No. 220, n. 1, and No. 226.

⁴ See No. 227.

for the French Government to consider that Sir Harold Stuart had appended his signature under a misapprehension.⁵

On the 20th [19th] of July M. de St. Aulaire consulted with Lord Curzon about the French views, when bringing them to his notice. According to the account of this conversation, which the French Ambassador gave, Lord Curzon replied to him that 'Our suggestion to send allied reinforcements to Silesia had aroused the greatest emotion in political circles and that the British Government would experience great repugnance and encounter serious difficulties in augmenting their effectives; nevertheless he would not give an absolute refusal but would reserve his decision, which would be pronounced after the results of the deliberations of the Council at Boulogne-sur-mer'. Upon the request that the British Ambassador at Berlin should be asked to associate himself with M. Charles Laurent in the latter's representation, the British Minister appears to have raised objections, while declaring that he would think it over. He then read telegrams from Sir H. Stuart, which expressed the opinion that reinforcements were not necessary, while admitting the possibility of fresh disturbances, as much on the part of the Poles as of the Germans, demobilisation being equally fictitious on both sides. Concluding, Lord Curzon once more expressed the opinion that the only way of easing the situation, which he considered fraught with danger, was to convene the Supreme Council without delay.⁶

The French Government was, therefore, not confronted with definite opposition by the British Government over the despatch of troops, but by an expression of strong repugnance to this step and of a refusal to despatch British reinforcements. Nevertheless we were in possession of the opinion of the three High Commissioners, expressing on the one hand the good results which, according to them, an immediate decision would have upon preventing a breach of the peace, and, in any case, the necessity for the despatch for reinforcements, which, in conformity with the French view, were indispensable for assuring the execution of the imminent decisions of the Supreme Council as much from the point of view of the Poles as of the Germans. The opinion of Sir Harold Stuart on this point was further confirmed by the second note,⁷ addressed by the High Commission to the Conference of Ambassadors, where the Anglo-Italian suggestion makes the abandonment of the despatch of reinforcements subservient to the reduction of the Inter-allied zone. From the Italian side we have encountered a less definite point of view which drew attention to the impossibility of sending Italian reinforcements, and, whilst expressing certain doubts as to the advisability of the despatch of French reinforcements, did not raise any objection still less opposition.

It was under these circumstances that the French Government, on the 22nd July, that is to say six days after the communication of their first telegram to the Foreign Office, considered itself authorised, after consultation with their allies and without a definite expression of dissent on their part, to demand, for the first time, formally at Berlin, the indispensable facilities for the transport of a French reinforcement division to Upper Silesia, and at once

⁵ See No. 231.

⁶ Cf. No. 232.

⁷ See No. 259, n. 2.

informed the London Cabinet of this decision.⁸ The German Government replied, on the 24th of July, 'that a demand to transport troops to Upper Silesia cannot be made by one of the three Powers alone, in its own name, but only in the name of the three Powers, who jointly safeguard the occupation of Upper Silesia'.⁹ On the 26th of July it supplemented the reply by declaring 'That it behoved it, on its side, to enquire of the Governments interested whether they also claimed the right to send troops to Upper Silesia.' At the same time, a press campaign was launched throughout Germany with the object of dividing the Allies, emphasizing British opposition to French demands and expressing the hope of attaining a great diplomatic victory over the French Government.

The latter believes that London as well as Paris will concur that it would be impossible to accept the situation of France remaining in a position so false as to compromise its authority, due to a lack of cohesion among the Allies. This opinion appears to have been shown by Lord Curzon, who signalled it in a manner appreciated at its true value by the Cabinet in Paris, by letting it be known at Berlin that he was not prepared to give advice on the legal interpretation of the Treaty, this question being of a political nature and therefore one to be discussed at the forthcoming Supreme Council. He added 'The British Government has no intention of allowing this question to raise difficulties between the Allies'.¹⁰ Consequent upon this *démarche* the German Government made a third reply to M. Charles Laurent in which they declared that they had no intention of treating this question from an exclusively legal point of view and that in view of the imminent meeting of the Supreme Council the German Government did not hesitate to declare 'that they would recognise its decision'.¹¹

None the less on the 23rd July a short note¹² was transmitted to the Quai d'Orsay by the British Embassy: the British Government declared that they could not concur in the despatch of allied reinforcements to Upper Silesia as this could only result from a decision of the Allies. The misunderstanding which appears to have accentuated the divergence of views between the French and English dates from that moment, the British Government having refused to modify its point of view and having caused a decision to be framed by the Imperial Cabinet on two separate occasions that the despatch of a French division could not be approved by England.

The French Government, nevertheless, from that moment onwards, has taken into account the English desire for a rapid decision on the question of Upper Silesia. They have even accepted the date proposed by the English Government, the 4th of August,¹³ undertaking that the Committee of Experts, whose first labours have demonstrated its utility, should complete its report before the meeting of the Supreme Council. None the less, they have maintained their point of view which may be recapitulated as follows:

The Allied effectives are manifestly inadequate to ensure the decision of the Supreme Council which can only be published when the troops in Upper

⁸ See No. 244.

⁹ See No. 248.

¹⁰ See No. 256.

¹¹ See Nos. 263 and 264.

¹² See Nos. 239 and 244.

¹³ See Nos. 252 and 257.

Silesia have been reinforced. It is thus that it came about that they were compelled to link their acceptance of the date of the 4th August to the acceptance by England of the despatch of reinforcements.

The British Government having argued that its opposition was based on the fact that, in accordance with the Treaty, an Allied agreement was required before reinforcements could be sent to Silesia the French Government, admitting their point of view, only raised the question of the safety of their own troops (threatened in Upper Silesia on account of the insufficiency of effectives frequently foreseen by the Inter-allied Committee of Versailles and on account of the strong probability of Polish or German action as soon as the decision of the Powers became known, a decision which will doubtless satisfy neither one nor the other of the parties).

They could hardly think that a pure and simple veto would be met with from one of the allies. At the most one might conceive that this Ally would draw attention to the inopportunity of despatch and would have expressed disapproval. It is sufficient to transpose the question and consider it in relation to any other point of common occupation to appreciate the answer. A negative attitude among allies, or of one of them, can only be explained by a feeling of lack of confidence, which has found expression in opinions on the attitude and disposition of the French troops at present on the spot or whose despatch is contemplated, as irreconcilable with the facts as with the opinion which soldiers who have spilt their blood together on the battlefields of liberty ought to hold of one another. The increase of troops in Upper Silesia should only have met with the cordial approval of the allies, for no privilege was claimed and it was merely a question of further means to maintain order and to assure the execution of the Treaty of Versailles. The German Government itself, when they feared trouble from the Polish side and before they had organised General Hoeffler's troops and armed them so strongly, did not cease to demand reinforcements. It may also be mentioned that in reply to the recent French Note drawing the attention of Berlin to the maintenance and dissimulation of German self-protection troops in Upper Silesia, Dr. Rosen replied by a counter Note, claiming that a real danger did exist but from the Polish side, which is clearly a further justification for the despatch of reinforcements and not an argument in favour of refusal to assist them. However that may be, the French Government cannot remain in the position it finds itself in *vis-à-vis* Berlin and in this connection await from their English allies, who have very loyally manifested their intention of not allowing this Franco-British discussion to be turned to account at Berlin, a further effort in the same direction.

The French Government hopes that the conversation between Monsieur Briand and His Excellency Lord Hardinge will permit of an agreement in that respect and will also facilitate an understanding on the method of despatch of allied reinforcements to Upper Silesia, to which the French Government attach the greatest importance, with a view to avoiding the risks, in their opinion very considerable, of notifying a decision of the Powers without being assured of the means of ensuring its being respected. They are prepared

on their side to take into account, as far as possible, the opinion of the allies with a view to maintaining between them that close union which has constituted their power in the past and which they also believe necessary in the future, if a compromise (*conciliation*) compatible with their dignity and with their essential interests can be found by a common effort of goodwill in understanding one another's points of view.

A. BRIAND

No. 283

Mr. Phipps (Brussels) to the Marquess Curzon of Kedleston
(Received August 1, 11.5 a.m.)

No. 146 Telegraphic [C 15527/92/18]

Urgent

BRUSSELS, July 31, 1921, 8.30 p.m.

I acted this morning on instructions contained in your telegram No. 109.¹

M. Jaspar was much upset at opposition of His Majesty's Government to attendance of Belgian representatives at Supreme Council on Upper Silesian question. He assured me that nothing could be further from his wishes than to be the cause of discord between France and Great Britain, or to allow this question to exercise any unfortunate influence on Anglo-Belgian relations. He confessed himself, however, to be discouraged at the attitude of His Majesty's Government in the matter and pointed out that the great mass of public opinion in Belgium was always pro-French, and that when he tried to go against the current and to cultivate good relations with Great Britain he did not receive the support which he was entitled to expect. The effect on Belgian public opinion would be absolutely disastrous when it was known that French Government had desired the invitation of Belgium to Supreme Council and that it was His Majesty's Government who opposed that wish. The French Government would of course, he added, take care that this should be made public so that nothing he could do would prevent the news from leaking out.

M. Jaspar urged me to inform Your Lordship of the intense feeling aroused in Belgium by Leipsig [*sic*] trials. He had already, as reported in my telegram No. 141,² requested that this question be placed on agenda of next Supreme Council, in accordance with promise which he made in the Chamber recently (see my despatch No. 617 of July 7th,³ my telegram No. 1 (38 ?) of (? July 11th)³ and previous correspondence, which will show Your Lordship that Belgian public opinion on this question at any rate is unanimous, for even Socialists describe the trials as a farce). If he failed to redeem his promise in this respect his Parliamentary position would become impossible. He also urged that question of sanctions should be dealt with by next Supreme Council, for it would, he declared, be a great mistake to allow that question to develop acrimoniously as it certainly would if it were not settled immediately.

¹ No. 279.

² No. 260.

³ Not printed.

Finally M. Jaspar said that he had during his recent visit to Paris⁴ urged that question of Russian famine should also be placed on agenda. This question he considers to be even more urgent and important for future of Europe than that of Upper Silesia.

His Excellency therefore strongly urged His Majesty's Government to consent to the above three questions being included on agenda of next Supreme Council and to invitations being sent out in the usual manner to various powers interested to attend the meeting. He suggests and earnestly hopes that His Majesty's Government will agree to a friendly discussion taking place before Conference actually opens with a view to deciding questions for which Belgian representatives are to be present. He declares that he personally does not by any means see eye to eye with French on question of Upper Silesia, (please see in this connection significant article summarized in my immediately following telegram)⁵ and that his one desire is that Belgium should be admitted to its discussion 'un [?] titre consultatif' thus avoiding the inevitable blow to Anglo-Belgian relations which would be caused by announcement of veto of His Majesty's Government. He fully realises moreover that French intolerance [*sic* ? invitation] is not disinterested.⁶

⁴ i.e. on June 7-8.

⁵ Of July 31, not printed. This summarized an article in the Liberal newspaper *Étoile* which was favourable to the British position in the Upper Silesian question.

⁶ Sir E. Crowe minuted on August 1: 'M. Jaspar is coming over tomorrow and will himself see Lord Curzon.' For M. Jaspar's conversations with Lord Curzon during his visit of August 2-3, see No. 664, below.

No. 284

General Sir W. Heneker (Oppeln) to the Marquess Curzon of Kedleston
(Received August 2, 11 a.m.)

No. 305 Telegraphic [C 15615/92/18]

OPPELN, August 1, 1921, 8.45 a.m.

At this morning's meeting of Commission I was able, with the support of Acting Italian Commissioner, to get complete scheme for organisation of police passed. This included the exact localisation and strength of all police of frontier posts. Acting President¹ opposed almost every detail of the scheme rigorously, but without avail.

I look upon the passing of this scheme as important for its adoption will enable a check to be given to the importation of arms and ammunition into Upper Silesia.

Generally speaking there are allied military posts at the frontier railway stations while police posts will be stationed on roads and dotted along the frontier between roads and railways.

¹ M. Anjubault.

Mr. Max Muller (Warsaw) to the Marquess Curzon of Kedleston
(Received August 2, 1.20 p.m.)

No. 354 Telegraphic [C 15641/92/18]

WARSAW, August 1, 1921, 9.30 a.m.

Oppeln telegrams No. 292¹ and No. [2]96.²

I have presented *aide mémoire* to Minister for Foreign Affairs drawing attention to the persistent rumours as to probable fresh *putsch* by Polish insurgent organisations before the meeting of the Supreme Council and signs of activities observed, especially in district of Rybnik and Pless, such as the presence of several hundred men in Polish and police uniforms some of them carrying arms between Myslowitz and Pless. I also mentioned that there was still a considerable volume of traffic into Upper Silesia; motor lorries and carts crossing the frontier in large numbers along the road from Sosnowice. I added that though I had no evidence that the contents of these vehicles were of an illicit nature I urged His Excellency to make sure that the utmost vigilance was being exercised to prevent the passage of arms into Upper Silesia.

In conversation I added that General Heneker was by no means convinced that Polish insurgents contemplated another *putsch*, still I felt it my duty to bring these reports to the notice of Polish Government so that they might use all their influence to prevent any fresh act of folly on the part of insurgents as it could only mean that all the work of pacification of the last two months would have been wasted and a final settlement postponed again.

M. Skirmunt renewed his assurances (see my telegram No. 345)³ that Polish Government had no reason to expect any renewal of insurrection on the side of insurgents but he would nevertheless make enquiries as to the foundation for reports which had reached me and would renew his warning to insurgent leaders. The one thing Polish Government desired was a speedy settlement of the question. He had recently been criticised in Foreign Affairs Commission of Diet for his weakness in pushing Polish case but he failed to see what more he could do. He did not, however, disguise from himself the probability that an unfavourable decision would mean the fall of Government.

Repeated to Berlin and Oppeln.

¹ Of July 26, not printed. This telegram cited a report from a British officer at Kattowitz that the 'Polish-Silesian frontier in the French area is absolutely open for persons and for all kinds of traffic both by day and by night' and that 'a continual stream of carts, motors, and other vehicles' was crossing the frontier by the road to Sosnowice.

² No. 268.

³ No. 246.

No. 286

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received August 1, 6 p.m.)

No. 409 Telegraphic [C 15531/92/18]

Very urgent

BERLIN, August 1, 1921, 2 p.m.

My immediately preceding telegram.¹

After provisional agreement on text as telegraphed, French Ambassador called this morning and said that as Paris had published officially a different text, he found difficulty in signing draft which we had concerted.

French official text, which is reproduced in some German papers, differs from my telegram No. 408 as follows: Instead of 'to facilitate rapid transit across Germany of allied troops whose despatch may be rendered necessary by the situation in Upper Silesia', please read 'to facilitate by all possible means transport across Germany of allied troops, which situation in Upper Silesia can at any moment render necessary'.

Words 'at any moment' seem to me doubtfully within Paris understanding, and to require special instructions, which please send.

Otherwise I see no objection to French text, although I prefer draft as agreed with French Ambassador.²

Repeated to Paris.

¹ This telegram, of August 1, gave the following text of a draft communication to the German Government provisionally agreed with the French Ambassador: 'Ambassador of France, Ambassador of England, Chargé d'Affaires of Italy acting by order of their respective Governments have the honour to request the German Government to take necessary steps to facilitate rapid transit across Germany of allied troops whose despatch may be rendered necessary by situation in Upper Silesia.'

² Sir E. Crowe minuted on August 1: 'It is deplorable that the French are already back at their old game of premature publication, and that the German Government should see in the French press the communication they are to receive several days later.'

No. 287

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received August 2, 4.10 p.m.)

No. 561 Telegraphic [C 15645/92/18]

Urgent

PARIS, August 2, 1921, 1.15 p.m.

My telegram No. 556.¹

In written reply just received President of the Council says 'French Government are happy that agreement has been established with the British Government respecting joint representations which British, French and Italian Ambassadors at Berlin have just been instructed to make to German

¹ This telegram of August 1, not printed, reported that the contents of No. 276 had been communicated to the French President of the Council.

Government.² Exchange of views which is to take place at Supreme Council will thus be greatly facilitated and will, as I firmly hope, result in a definite agreement on solution of Upper Silesian question. I beg you to thank Lord Curzon personally in my name.

I was glad to learn that British Prime Minister as well as Lord Curzon will attend the Supreme Council at Paris and most willingly accept August 8th as date of meeting.

Besides Upper Silesian question which forms the essential object of meeting of Powers, it is to be foreseen that apart from war criminals question certain specially urgent matters of a general order may form the subject of exchange of views between Allies; for instance (1) the situation in the East and possibilities of mediation which it might involve, (2) the question of Russia as now presented, for reasons of humanity, by the terrible famine raging in Volga region, and possibilities of cooperation by the Allies to save millions of human lives.³

Note concludes with cordial thanks to Lord Hardinge for sympathetic collaboration in settling 'temporary misunderstandings' which had arisen between the two Governments. Copy of note by post.³

² Cf. No. 276.

³ Transmitted under cover of Paris despatch No. 2200 of August 2, not printed.

No. 288

The Marquess Curzon of Kedleston to Lord D'Abernon (Berlin)

No. 195 Telegraphic [C 15531/92/18]

FOREIGN OFFICE, August 2, 1921, 5 p.m.

Your telegram No. 409 (of August 1st).¹ Proposed joint communication to German Government respecting facilities for passage of possible allied reinforcements to Upper Silesia.

I do not wish to raise unnecessary difficulties, but should have preferred 'might at any moment render necessary' to 'can at any moment, etc.' Presumably joint communication will be in French and that the French words employed are '*pourra* rendre nécessaire.' My preference would be for '*pourrait [sic]* rendre.'

If, however, you find serious difficulty in getting suggested change accepted, you may agree to French text as last proposed to you.²

¹ No. 286.

² In his telegram No. 412 of August 3, Lord D'Abernon reported: 'We have signed and delivered joint note drawn up as Your Lordship desired that is with "*pourrait*" instead of "*pourra*". On receiving the note Minister for Foreign Affairs said that it was in full accordance with the views held by the German Government. . . .'

*The Marquess Curzon of Kedleston to Sir M. Cheetham (Paris)**No. 446 Telegraphic [C 15290/92/18]*FOREIGN OFFICE, *August 2, 1921, 5.30 p.m.*Your telegram No. 538 (of July 27th).¹

There is now a gratifying prospect of an early decision by the Supreme Council of the territorial settlement in Upper Silesia; but at best such decision cannot reach Oppeln before the middle or end of next week. Meanwhile Sir H. Stuart who is now here² continues to urge the importance of handing over to Poland and Germany at once certain districts of Upper Silesia which under any solution must certainly fall to those countries respectively. The arguments in favour of this course are familiar to you.

Although Monsieur Briand has so far been disinclined to agree to the arrangement proposed, which he prefers to have discussed at the Supreme Council first, it appears not impossible that in view of the now brighter prospects of a satisfactory settlement of the larger question, he may be disposed to reconsider the matter. The immediate adoption of the Anglo-Italian proposal would clearly in no way prejudice the ultimate allocation of territory, since there is general agreement as to the necessity of the districts in question falling to Poland and Germany respectively. Nor would it affect the French claim that the territory so to be assigned to Poland must be regarded as forming an integral part of the 'industrial area'; for should the validity of this French argument be upheld eventually by the Supreme Council, this would simply entail the allocation to Poland of further territory beyond what it is proposed to transfer to her at once.

I should be glad if you would consult your Italian colleague, and if he agrees, make a renewed friendly representation to Monsieur Briand in favour of the immediate adoption of the plan, unless you consider that the attitude taken up by Monsieur Briand is too categorical to allow of any hope of his making a concession on this point.

Addressed to Paris No. 446. Repeated to Oppeln No. 122.

¹ No. 265.² See No. 240, n. 1.*The Marquess Curzon of Kedleston to General Sir W. Heneker (Oppeln)**No. 123 Telegraphic [C 15290/92/18]*FOREIGN OFFICE, *August 3, 1921, 5 p.m.*

The first item for discussion at the meeting of the Supreme Council on the 8th August will be the French proposal to send reinforcements to Upper Silesia. His Majesty's Government are maintaining that, unless there has been some material change in the situation since Sir H. Stuart's departure, no reinforcements will be necessary provided the frontier is finally decided

on the 8th or 9th August and immediate steps are taken to put the decision into effect. His Majesty's Government are also again suggesting the immediate transfer to Poland and Germany respectively of the districts which are incontrovertibly Polish and German, and propose to maintain that if this is done no reinforcements will be necessary, even though there should be more delay in laying down the final frontier. It is thus hoped to avoid sending any reinforcements. I should be glad to receive an expression of your views on the subject, and in particular to learn what the strength and composition of the reinforcements should be if it should prove necessary to agree to some reinforcements being sent.

No. 291

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received August 3, 11.30 p.m.)

No. 568 Telegraphic [C 15695/92/18]

PARIS, August 3, 1921, 6.40 p.m.

Your telegram No. 446.¹

Italian Ambassador gave following reasons of which first is most important, against desirability of approaching M. Briand with a suggestion for revival of Stuart-Visconti proposal.²

1. He did not think M. Briand would agree. He would probably on the contrary consider that the matter was at this stage one for decision of Supreme Council and that it was moreover too nearly related to question of effectives in Upper Silesia to allow one to be re-opened without the other. The President of the Council had with difficulty induced opposition to agree to a reference to Supreme Council on points of despatch of troops, and he would be exposed to fresh attacks if he were thought to have yielded, without even waiting for opening of Council, on another issue in which French interests were involved.

2. Count Bonin did not personally think in view of comparative early meeting of Council and more re-assuring aspect of things in Upper Silesia, the case for handing over of districts was so convincing as it had previously appeared.

3. He added that in any case he could himself take no action without instructions.

In these circumstances I have not felt justified in making representations to M. Briand. The Italian Ambassador however suggested that his Government might not be averse to giving him instructions to join in approaching the French Government if application to that effect were made in Rome.

I am disposed to agree with Italian Ambassador that M. Briand would not care to re-open any question concerning Upper Silesia before the meeting of Council. What M. Briand said to me previously on the subject of allocation

¹ No. 289.

² See No. 243.

of districts was very non-committal and I think that his attitude with regard to the sanctions is a proof that he is anxious to avoid every possible conflict with public opinion and not to appear to give way on any point unless constrained by an adverse majority on the Council.³

³ Sir E. Crowe commented: 'It becomes more and more clear that there is no real change in Italy's attitude. She continues to profess the utmost readiness to support the British view, but in fact Marquis della Torretta, like Count Sforza before him, keeps in with the French. I agree that in present circumstances it will be useless to press our proposal again upon the French government.' His minute was initialed by Lord Curzon.

No. 292

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received August 6, 9.15 a.m.)

No. 580 Telegraphic: by bag [C 15856/92/18]

PARIS, August 5, 1921

Your telegram No. 123 to Oppeln.¹

I think we must be prepared for considerable French opposition at the Supreme Council to the contention that unless some material change occurs in the situation, no reinforcements whatever will be necessary 'provided the frontier is finally decided on August 8th or 9th and immediate steps are taken to put the decision into effect'.

French Government, having consented on July 30th to no troops being sent until after discussion at Supreme Council on August 8th,² can no longer argue that acute danger to their troops in plebiscite area renders immediate despatch of reinforcements essential. But on the other hand (a) little or no hope can be built on chance of their accepting Visconti-Stuart proposal (see Sir M. Cheetham's telegram No. 568),³ on adoption of which and consequent reduction of area to be controlled by allied troops much of our case against despatch of reinforcements evidently rests; and (b) there is no sign whatever of French Government giving up their favourite argument that allied forces must be on the spot, *before* announcement of final decision regarding frontier, in sufficient strength to enforce its acceptance in face of any opposition which may develop on either the Polish or the German side.

If, as seems certain, the French put up a stiff fight over despatch of troops being completed before announcement of frontier decision, they will also doubtless insist on that decision, or at least its announcement, being postponed until troops have actually arrived. My military advisers inform me that press is quite correct in stating that 12 to 15 days must elapse before the arrival of a whole French division in Silesia can be completed. They have moreover ascertained that up to July 30th neither Marshal Foch nor General Weygand

¹ No. 290.

² See Nos. 276 and 277.

³ No. 291.

had been consulted by the French Government on the question of reinforcements.*

* In his telegram No. 539 of July 28, not printed, Sir M. Cheetham had reported that H.M. Military Attaché at Paris had learnt from General Weygand, Chief of Staff to Marshal Foch, 'that he and Marshal Foch have never been consulted by French Government as to necessity for sending another French division to Upper Silesia. This is, of course, a further proof that French Government are actuated by political and not military motives.'

No. 293

*General Sir W. Heneker (Oppeln) to the Marquess Curzon of Kedleston
(Received August 7, 12.30 p.m.)*

No. 308 (Part II)¹ Telegraphic [C 15900/92/18]

Most urgent

OPPELN, August 6, 1921, 9.30 a.m.

Question of immediate transfer to Poland and Germany respectively of districts which are incontrovertibly German (? or Polish) is favourably considered generally, (? but) possibility that allies may take over the remainder of Upper Silesia and manage it for a term of years is continually being discussed and general consensus of opinion of all parties is that it would be a most unfortunate present solution. I feel sure that Sir H. Stuart is in agreement with me on this subject and could produce all the arguments against it were it necessary to do so. With reference to the question of reinforcements, it would appear to me that the matter should be considered under the three following possible contingencies.

1. The possibility of despatch of reinforcements before the receipt of decision of Supreme Council with the main object of upholding the authority of the Commission after decision has been promulgated.

2. Possibility of a decision that districts which are entirely Polish and German should be handed over to Polish and German Governments respectively while question of the fate of the remainder of the country is postponed for a future decision.

3. Possibility that the fate of the whole of plebiscite area be postponed to a future meeting of Supreme Council.

With regard to the first contingency proportion of French to British troops is, in my opinion, the governing factor. Balance now is greatly in favour of the French and further French reinforcements without a corresponding number of British would be most unwise mainly from the point of view of British prestige and weight which (? its) presence carries in the country.

Should Supreme Council at its first meeting decide that the despatch of further reinforcements is necessary immediately and should it, within the next few days, come to a decision regarding the fate of Upper Silesia, it would not be possible for these troops to arrive before decision of Supreme Council

¹ Part I, despatched on August 5, and received in the Foreign Office on August 6, is not printed. See, however, No. 299, n. 3.

had been promulgated. The reasons for their despatch would have disappeared, for to my mind the only argument for reinforcements which could carry any weight would be based on the grounds of maintaining the authority after decision has been published and consequently it is (? only) an undue delay at arriving at decision (? which) I hope will not take place, that could justify sending reinforcements at all.

I have been asked to give my views on the subject of the strength and composition of reinforcements if sent.² As I do not want any, it is rather less hard to answer the question, but I may say that were the remainder of the 14th Hussars from Cologne given I could put them to good use in patrolling and an additional two or three battalions of Infantry would aid me in furnishing protection to mines which, to my mind, will be the principal duty of troops after the decision has been announced. These troops would also (? give) us the (? opportunity) of (? making) our presence more felt in the industrial area. Governing factor however in this matter is one of . . .³ strength and French must not be allowed to send more troops than we ourselves are able.

2. Should the country under control of allied Commission be reduced in area as suggested, I cannot see that question of reinforcements can arise at all. If we have been able so far to dominate the country morally by small number of allied troops which have been here, reduced area could easily be kept in order.

3. Under this heading it would be impossible to keep the country in anything like a peaceful state by moral force and only a very large number of troops would be able to maintain the authority of Commission. I could not undertake to keep the country free from disturbances unless I had at my command 60,000 to 70,000 troops. In this connection of course it must be remembered that were Poles to rise, Commission might call on all loyal inhabitants of the country to range themselves on the side of troops and so put down the rising. This would mean that we should call in the German side of the population to our aid. Again should Germans rise we might call in Polish population to aid troops. Were we (? to do so) a smaller number of troops would be necessary but such an idea presents so many objections that I do not think it could be considered.

In conclusion I may say that any delay in giving an immediate, complete and final decision as to the fate of the country would only lead to disturbances. We are holding the country now only by moral force and not by force of arms. Outward sign of this moral force is small handful of Allied troops now at our disposal and this force (? can) act only so long as there is complete unanimity on the part of the three Allies.

² See No. 290.

³ The text is here uncertain.

No. 294

General Sir W. Heneker (Oppeln) to the Marquess Curzon of Kedleston
(Received August 9, 10 a.m.)

No. 314 Telegraphic [C 16099/92/18]

OPPELN, August 8, 1921, 7.30 a.m.

My immediately preceding telegram.¹

This incident tends to further accentuate need, to my mind, for a quick decision as to the fate of the country. Moral effect of our occupation is waning, sending of a few more troops here even were it of the strength of a division would not be sufficient to maintain the authority of the Commission by force of arms. Definite and decisive action is necessary and bearing out what I have previously stated three alternatives present themselves.

1. An immediate decision by the Supreme Council as to the fate of the country.
2. Despatch of troops to the extent of 60,000 to 70,000.
3. Complete withdrawal from the country.

¹ This telegram of August 8, not printed, reported an attack on August 7 by a band of over 100 armed Germans on a small detachment composed of British troops under a French captain, which had been carrying out an arms raid in Botzanowitz. The Allied detachment were forced to surrender the arms and prisoners in their charge. In Oppeln telegram No. 320 of August 9 it was stated that the German band numbered over 300 men.

No. 295

Mr. Max Muller (Warsaw) to the Marquess Curzon of Kedleston
(Received August 12, 2.55 p.m.)

No. 360 Telegraphic [C 16553/92/18]

WARSAW, August 11, 1921, 9.20 p.m.

Your despatch No. 469.¹

French Minister informs me that there is an agreement between French and Polish Governments for advance of French capital for exploration of state mines in portion of Upper Silesia ceded to Poland. This agreement (? is) (? quite) independent of Franco-Polish commercial treaty² and has

¹ Of August 3, not printed. In this despatch Lord Curzon requested Mr. Max Muller to ascertain whether there was a separate Franco-Polish commercial agreement regarding Upper Silesia.

² In his despatch No. 590 of February 20, not printed, Lord Hardinge had transmitted the text of a Franco-Polish political agreement dated February 19. Its terms were published in *The Times* on February 22 (p. 9) except for the fifth and final clause which stated that the agreement should not come into force until 'après la signature des accords commerciaux actuellement en négociation'. (See n. 3 below.) In view of continuing rumours, particularly from German sources, concerning the provisions of the proposed commercial agreement, Lord Curzon instructed Lord Hardinge on July 19 to ask the French Government what the position was. In Paris despatch No. 2140 of July 25, Sir M. Cheetham replied that the Commercial Counsellor of H.M. Embassy at Paris (Mr. Cahill) had been officially informed

been negotiated in Paris so that French Minister is not acquainted with the details. In any case he pleaded ignorance of proportion in which French capital is to be interested, though he did not dispute the accuracy of my surmise that it was to be 51 or 49%. He told me that his Government had also negotiated an agreement in Berlin according to which French capital will take an interest in German state mines in Upper Silesia, but he understood that interest in this case was limited to 10%. He explained that all Franco-Polish agreements, political as well as commercial, were now completed,¹ but that their signature was held in abeyance until Upper Silesian problem was disposed of.

Repeated to Paris, Berlin and Oppeln.

that the commercial agreement would not come into force until the question of Upper Silesia had been settled.

¹ In his despatch No. 477 of August 11 confirming this telegram Mr. Hoare reported: 'Monsieur Panafieu told me that the agreements to be concluded between the French and Polish Governments were five in number:

- (1) The Political Agreement of February 19;
- (2) A Commercial Convention;
- (3) An Agreement regarding the exploitation of the Galician Oilfields [for earlier references see Vol. XI, Nos. 530 and 689];
- (4) An Agreement providing for the identical treatment of Polish property in France and of French property in Poland (I am not clear as to the exact nature of this instrument);
- (5) A Military Convention.'

Sir E. Crowe minuted on August 24: 'The Franco-Polish arrangement for joint exploitation of the Upper Silesian State-owned coal mines if and when transferred to Poland, is in all probability one of the main reasons influencing the attitude of the French Govt. in regard to the industrial triangle. Monsieur Loucheur's pocket is directly affected.' Lord Curzon added: 'We knew of this.' The Franco-Polish agreements were finally signed on February 6, 1922. For the texts of the first three, see *B.F.S.P.*, vol. 118, pp. 342-3, 343-55, 356-8.

No. 296

Lord Hardinge (Paris) to Sir E. Crowe¹ (Received August 12, 7.40 p.m.)
No. 595 Telegraphic [C 16309/92/18]

PARIS, August 12, 1921, 5.15 p.m.

Following sent to-day to Oppeln No. 46.

Following from Lord Curzon.—*Immediate.*

Supreme Council agreed that despatch of reinforcements, if any should be considered necessary, should be dependent on views of allied commissioners as to situation created by decision to refer frontier question to League of Nations.²

¹ Lord Curzon was in Paris for the meeting of the Supreme Council from August 8 to 13, see Vol. XV, Chap. VI.

² See Vol. XV, No. 102, minutes 1 and 4 and appendix. The Supreme Council's decision to refer the Silesian frontier question to the League of Nations was reported in Paris telegram No. 594 of August 12, not printed.

If those representatives consider period before recommendations of League of Nations are received will be one of (? dangerous) tension requiring increase of troops now at disposal of commission, three Governments concerned are prepared to send reinforcements, each the same strength.

Please consult your colleagues in order that identic recommendation may be submitted to three Governments.

Repeated to Foreign Office, Berlin, Warsaw and Rome.

No. 297

Lord Hardinge (Paris) to Sir E. Crowe (Received August 12, 9.10 p.m.)

No. 596 Telegraphic [C 16310/92/18]

PARIS, August 12, 1921, 6.25 p.m.

Following sent to Oppeln No. 47 August 12th.

Following from Lord Curzon.

Private

My telegram No. 46.¹

We are, of course, reluctant to send more troops and I trust that you will not encourage any proposal to that effect unless you think it absolutely necessary. Most that we could do in any circumstances would be two battalions.

In calculating possible dangers you will, of course, realise that delay in reaching final decision may be somewhat prolonged.

Three or four months may not be an exaggerated estimation [*sic*].

Please report to London whither I return August 14th.

Repeated to Foreign Office.

¹ No. 296.

No. 298

General Sir W. Heneker (Oppeln) to the Marquess Curzon of Kedleston (Received August 13, 11.15 p.m.)

No. 327 Telegraphic [C 16351/92/18]

OPPELN, August 13, 1921, 2 p.m.

Last night after dinner I received very disturbing reports with reference to trouble in Beuthen, Kattowitz and Gleiwitz which was to break out during the night consequent upon news having been received that the question of Upper Silesia was to be referred to the League of Nations.

Fortunately my colleagues on the Commission were dining with me and we discussed the situation. I suggested that the Commission should at once present and maintain closest liaison with principal leaders of the Poles on the one side and the Germans on the other side in Upper Silesia so that the Commission could communicate with them at once should it desire to impart

information or advice. It was necessary also that each party should appoint satisfactory leaders with whom the Commission could communicate should such persons not at present exist. This was agreed to. Ponsot, French Commissioner, got on the telephone to the Officer Commanding the French troops in the industrial area immediately and conveyed the information I had received about a rising and warned him to take steps to suppress it. I informed the British troops. Night passed without incident.

Pau. . . [Ponsot] is meeting Rymer and Walus¹ as soon as possible having already arranged a meeting with the former and I am getting into touch with Lukaschek.² If we can sufficiently impress upon both sides in Upper Silesia fact that any rising is futile and will only react to the detriment of the interests of the side which commences trouble, we may be able to keep the country quiet.

Repeated to Paris, Berlin and Warsaw.³

¹ Polish industrial leaders.

² Dr. Lukaschek, a German leader, had taken the place of the former Committee of Twelve. See No. 153.

³ In his telegram No. 334 of August 18, not printed, General Heneker reported a meeting on August 17 between Polish and German leaders: 'Various points were agreed to principle [*sic*] being that no further (? Putsch)s were to take place and that the question of (? large) concentrations of German and Polish fugitives should be investigated and arrangements made for getting back into their own area respectively, these people who had through fear run away.'

No. 299

General Sir W. Heneker (Oppeln) to the Marquess Curzon of Kedleston
(Received August 14, 11 p.m.)

No. 328 (Part I) Telegraphic [C 16352/92/18]

OPPELN, August 14, 1921, 1 p.m.

Your telegrams Nos. 46 and 47.¹

Matter of reinforcements is being discussed this evening and I will forward recommendations without delay.

In considering question there are two headings under which matter might be treated.

1st. An invasion, which I think can be dismissed because I do not consider either Germany or Poland desires to go to war against allies.

2nd. Internal trouble, and following present themselves as likely to cause either a general rising or a local disturbance which may develop into a serious defiance of authority of commission.

(a) Harassing of Germans in French area by French officials and French troops. I have curtailed this to a great extent but it continues. However I am determined to put a stop to it. Ponsot is much more amenable on this point than le Rond, but General de Brantes is real culprit. I intend to have state of siege taken off immediately.

¹ Nos. 296 and 297.

(b) Ex-insurgents are preventing setting up of (? Gemeinde)² . . .³ in certain Kreis notably in Zabrze southern Beuthen Kattowitz Pless and Rybnik.

(c) Workmen's Councils are preventing return of German officials and fellow workmen in many mines and industrial concerns.

(d) Numbers of brigands are still at large in (? forest) country.

(e) The gang of from six hundred and fifty to seven hundred adventurers and Poles are still raiding and disturbing northern part of Rosenberg Kreis. This gang I mentioned in my telegram No. 308.⁴

(f) Industrial unrest owing to probable shutting down of some works consequent on lack of markets (Germany will not buy and Polish frontier is closed) and difficulty of making long term contracts (? on account of) postponement of fate of country. I am sending a telegram later on dealing with this question of markets.

(g) Fact that everyone is armed and has his weapon hidden somewhere (? near) adds to danger of situation. I consider this matter of arms must be ignored by commission unless sixty thousand to seventy thousand troops are drafted into the country and systematic drives and military operations are undertaken in order to disarm all sections of the people. Even were above force employed considerable bloodshed and loss of life would result.

End of part 1.

² i.e. the Gemeinde-Wacher; see No. 191.

³ The text is here uncertain.

⁴ i.e. in Part I of telegram No. 308 (see No. 293, n. 1), not printed. General Sir W. Heneker had stated: 'A certain band of insurgents which is composed principally of Poles who have not returned to their homes and are consequently short of money and work, together with a certain proportion of adventurers who are exploiting situation for their own personal advantage, is located on border between Landsberg on North and Botzanowitz on South. This band is reported to be between 650 and 700 strong and its members live in towns of Krzepice and Przystam and are reported to come over frontier into Upper Silesia at night and terrorize inhabitants. I am doing what I can to deal with this band and trust on this information being received at Warsaw pressure may be brought to bear on Polish authorities to disperse these undesirables.'

No. 300

General Sir W. Heneker (Oppeln) to the Marquess Curzon of Kedleston
(Received August 15, 11.40 a.m.)

No. 328 (Part II) Telegraphic [C 16397/92/18]

OPPELN, August 13 [? 14], 1921, 4.30 p.m.

Part 2 begins:

Added to above list there are many other smaller matters which might bring about trouble and over all is feeling of antagonism throughout the country between Poles and Germans, kept alive by uncertainty as to ultimate fate of the country. It will be almost impossible to prevent individuals from shooting one another or raiding in a small way, but a judicious show of force, close touch with the people, and a firm attitude on the part of Allies

should prevent one section of the country from rising against the other. I proposed at meeting of Commission this morning that a few of the most influential Germans and Poles should be invited to meeting of Commission on Monday¹ when, at different times, measures for keeping the country quiet could be discussed.

I feel sure that were two small Committees of public men formed, one chosen by Poles and one by Germans, representing respectively each section of the people, and were these Committees to keep in close touch with Commission, the people might be led and managed and advised. At present Commission is completely out of touch with the people except through kreis controllers, and this touch is not nearly so efficacious and close as one established directly with the people, through their own representatives.

Real success of above depends of course on loyal co-operation together of allies in Upper Silesia, and I do not see why we should not get that in future.

This matter of small Committees referred to above was favourably received by both Ponsot and Italian Commissioner, but neither desired to commit himself to it pending return of proper Commissioners.

Repeated to Paris, Berlin, and Warsaw.

¹ i.e. August 15.

No. 301

General Sir W. Heneker (Oppeln) to the Marquess Curzon of Kedleston
(Received August 15, 5.30 p.m.)

No. 330 Telegraphic [C 16467/92/18]

OPPELN, August 14, 1921, 11 p.m.

Ponsot came to see me yesterday evening and we discussed at length question of reinforcements. He had received from his Government same orders which you sent me,¹ but Italian Commissioner had received no orders on the subject and said that without such instructions he was not prepared to discuss the question. Ponsot agreed with me on the whole matter and general result of our conversation was as follows:

'Main reasons for retention of troops in the country now decision has been postponed are the same as heretofore, viz. to uphold authority of Commission and, should a rising take place, use all force possible to put it down, combined with duty of protection of industrial area from sabotage and destruction.

In order to carry out these aims effectively and thoroughly would require a minimum of three divisions at war strength, one division from each of the Allies. Ponsot agreed that it was useless to put forward such a proposition. It then resolved itself into two alternatives:

- (1) Are any troops required at all?
- (2) If so, what is the smallest number advisable?

¹ See No. 296.

Reference (1) we agreed that situation here has been altered by Paris Conference. Before, we maintained order by moral force combined with fact that bulk of population were adverse to doing anything which might postpone decision. Now our moral force has diminished to a certain extent and other restraining influence has disappeared. It is necessary to regain our morale accordingly as much as we can do so, and were the country to recognise that Allies were determined to see this thing through together, and that all three were prepared to send more troops to reinforce those at present here even though these reinforcements were small, effect produced might be, and we trusted would be, sufficient. We agreed, therefore, that some reinforcements were necessary but we both were of the same opinion that unless Italy was prepared to send the same reinforcements as we recommended, a great deal of the effect of such action would be lost.

Second matter is then to decide on minimum number of troops which we consider would produce desired effect, and if this number, while producing the effect necessary, would help in carrying through of any plan which had been decided upon, so much the better. Only plan which has been mutually agreed on is that dealing with concentration of troops in and about industrial area in case of a general rising. There are small gaps in this plan which should be filled up and addition of six more battalions to plan (two from each ally) would make it fairly complete. Ponsot desired three French battalions extra, but I said I could do with two and did not consider I was justified in asking my Government for more than two, having in view our commitments all over the world. He then suggested that instead of third battalion a cavalry regiment be sent, but I said we had no cavalry to send for as he knew we were disbanding some of our cavalry, and so it was left.

I would suggest, however, that if it were possible remainder of 14th Hussars be sent from Cologne. One great lack here is that of mounted men, and I could employ remainder of 14th Hussars to great advantage. We might then agree to French sending a cavalry regiment.

Ponsot wanted some armoured cars, but I said we had none available. Result is, two battalions of infantry from each of the Allies, remainder of 14th Hussars doubtful.

Repeated to Paris, Berlin and Warsaw.

No. 302

*General Sir W. Heneker (Oppeln) to the Marquess Curzon of Kedleston
(Received August 16, 10.30 a.m.)*

No. 331 Telegraphic [C 16480/92/18]

OPPELN, August 15, 1921, 2.40 p.m.

...¹ recommendations regarding reinforcements I desire to emphasize fact that Italians should send two battalions without fail.

¹ The text is here uncertain.

Towns of Krappitz, Cosel and important railway junction of Kand[r]zin are very German and are centres of unrest.

French are anxious to occupy them and were Italians to refuse to send more troops it would be difficult to keep French from quartering troops in these places.

They would also very much like to occupy the Annaberg.

It is decidedly injudicious to have French troops in these towns and areas which have a population chiefly composed of Germans. Italian troops could garrison these places if they came out and all would be well.

Repeated to Paris, Berlin and Warsaw.

No. 303

Memorandum by Sir C. Hurst on Upper Silesia

[C 16545/92/18]

FOREIGN OFFICE, August 15, 1921

The decision of the Supreme Council to refer the Upper Silesia frontier question to the Council of the League of Nations¹ under Article 11, paragraph 2, of the Covenant, leaves the Council of the League entire control of the procedure to be adopted in framing their recommendations to the Supreme Council. As the British member of the Council will, therefore, have a voice in the decision, it is desirable that consideration should be given as to the line of procedure which would be most in accordance with our interests.

Sir Harold Stuart says that speed is of capital importance, and the question is, therefore, what method will ensure a just decision at an early date, rather than what is the ideal method in circumstances where time is of no importance.

To treat this matter as one which is referred to the arbitration of the League will, I am afraid, entail a procedure which will take a long time. Arbitration is not a rapid method of settling a dispute; it is the custom to have carefully drawn cases and counter-cases, and printed briefs delivered on either side, and the whole procedure tends to become more formal and more lengthy. Furthermore, the Council must refer the matter to an outside body if it is to be regarded as an arbitration, and the temptation would be very strong at Geneva, if the matter is to be regarded as one for purely legal settlement, to refer it to the new Permanent Court of International Justice which will, presumably, be elected at this forthcoming Assembly. It would undoubtedly be regarded by many as tending to strengthen the position of the Court that, at the very moment of its creation, it should begin to deal with so important a question.

It seems to me that a procedure more in the nature of enquiry by the Council should be adopted if possible in connection with this dispute, *i.e.*

¹ See No. 296.

a procedure less formal and more expeditious. It will be noticed that Article 12 of the Covenant treats arbitration and enquiry by the Council as the two alternative methods of dealing with disputes which come before it. To lay stress on this question as referred to enquiry by the Council rather than to arbitration would give us the benefit of the provision in Article 12 that the Report of the Council shall be made within six months after the submission of the dispute.

The Council could itself act as a body for the purpose of the enquiry, or it could refer the matter to some of its members, or it could refer the matter to one or more persons outside its own membership. The first method may be ruled out, as the Council can only work by unanimity and it would be very difficult for either the British or Italian members on the one side or the French on the other to participate in a decision contrary to what their Governments had argued for at Paris.

Lord Curzon made the suggestion, in conversation, that the Council should be encouraged to secure the services of Mr. Taft² to deal with the dispute. If Mr. Taft were in Europe and available, he would be an excellent man for the purpose, but he is now Chief Justice of the Supreme Court of the United States and I doubt whether it would be possible to get him to Europe without losing considerable time, as he would have to arrange for the business of his court and probably also to secure the consent of his Government.

An alternative plan would be to secure one, or preferably three, eminent lawyers who are in Europe. This ought to be quite possible, but so many States have in general a bias for or against Germany that it will not be easy to find three suitable men who would commend themselves to all parties. The telegram from Berne this morning [*sic*] with reference to Mr. Calonder shows how difficult it is to find a man whose appointment will not be questioned by either side.³ In any event it must be realised that for the Council of the League to nominate one or more men when it meets, will entail a delay while the men are making arrangements to begin their work.

The third method would be for three of the members of the Council, who are not concerned in the dispute, themselves to act as a committee, hear the parties, consider all the documents, and prepare a report which the Council as a body could adopt as its recommendation to the Supreme Council. There are four States represented on the Council who are not concerned with the dispute. The four who are concerned in the dispute, i.e. Great Britain, France, Italy and Japan, the four States already represented on the Supreme Council which has referred the matter to the Council of the League, would

² Former U.S. President and advocate of the League of Nations.

³ In his telegram No. 60 of August 13, not printed, Mr. Agar Robartes, First Secretary at Berne, Chargé d'Affaires from July 26 to September 21, reported that the Italian Minister at Berne had informed him that the French Government had 'started a campaign at Geneva in favour of the appointment of M. Calonder, formerly Swiss Minister for Foreign Affairs, [and a former President of the Swiss Confederation] as president of the committee to be appointed by the Council of the League of Nations on the Upper Silesian question'.

have to be left out. There remain, China, represented by Mr. Koo⁴ who is the President of the forthcoming meeting of the Council; Belgium, represented by M. Hymans;⁵ Spain, represented by Senor Quiñones de León.⁶ There is much to be said in favour of trying to arrange for these three men to deal with the question on behalf of the Council. It would save, I think, a month's time as compared with appointing a committee of men outside; probably three months' time as compared with securing the services of Mr. Taft. From the British point of view there would be the advantage that all three men can understand and talk English perfectly. There is something, of course, almost grotesque in letting a Chinaman preside over a body which is to decide an issue of importance between France and Great Britain, but it so happens that he is at the moment the President of the Council. The other two men are men of mark. If the Belgian may be regarded as perhaps biased in favour of France, the Spaniard may, I think, be regarded as biased in favour of Great Britain. But both are men who occupy too big a position to decide otherwise than in accordance with what they believe to be right.

If it could be arranged for the Council to deal with the matter in the way suggested, it ought to be possible to secure a decision before the end of the Assembly at Geneva,⁷ and this should enable the Supreme Council to fix the boundary early in October.⁸

⁴ Mr. Wellington Koo, Chinese Minister in London.

⁵ Former Belgian Minister for Foreign Affairs.

⁶ Spanish Ambassador at Paris.

⁷ The League of Nations General Assembly met at Geneva between September 5 and October 5.

⁸ In the course of a minute dated August 15, Sir H. Stuart submitted that there should be 'an instruction to our representative on the Council to press for a very speedy decision and to oppose any procedure which would involve delay'. Accordingly, he supported the reference to the committee of three members of the Council, suggested by Sir C. Hurst. Sir E. Crowe, in a lengthy minute of August 15, agreed that this suggestion had 'much to recommend it'.

On the same day Lord Curzon added: '... Viscount Ishii will I believe preside. At any rate he is conducting all the arrangements for the meeting. M. Briand pressed for Paris. I told Vt. Ishii not to think of it but to press for Geneva. Mr. Balfour and M. Bourgeois [President of the French Senate] are already in Switzerland.

Mr. Balfour has already been asked & has consented to represent Gt. Britain.

The meeting will be held (if possible) in the course of the next 10 days.

There are 3 alternative methods of procedure

- (1) Reference to an individual, a jurist, a judge, or a king. This would probably take too long. The French will very likely ask for M. Hymans.
- (2) Reference to a Committee of the Council. This has merits but would hand over a great European case to China Brazil [*sic*] & Spain—surely almost a joke.
- (3) Reference to an outside body of statesmen or jurists. This would take longer but the Council will very likely incline that way.

As soon as the date is fixed we must send out our experts to coach Mr. Balfour.

The Notes have failed to contemplate that very likely the Council will ask Poland & Germany to state their own cases.' An extraordinary session of the Council of the League of Nations, from August 29 to October 12, called to consider the question of Upper Silesia, held its first meeting on August 29.

No. 304

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received August 17, 5.15 p.m.)

No. 419 Telegraphic [C 16572/92/18]

BERLIN, August 17, 1921, 1.30 p.m.

Following Your Lordship's instructions conveyed by Lord Hardinge's telegram No. 25,¹ I discussed this morning with the Italian Ambassador and the French Chargé d'Affaires most efficient method of conveying necessary communication to the German Government. We agreed to make identic representations to the Minister for Foreign Affairs on the lines indicated by Your Lordship.

Accordingly, I saw Minister for Foreign Affairs this afternoon and urged him in firm language to see that necessary steps are taken, especially as regards Upper Silesian frontier and semi-military associations.

My Italian colleague and the French Chargé d'Affaires are taking similar action.

Minister for Foreign Affairs replied to me:

1. That the German Government, in anticipation of allied action, had already issued a warning to Upper Silesians to keep quiet (Copy by post).²
(? 2). That it was exercising and would exercise its full influence in this direction.

3. That the German population of Upper Silesia, notwithstanding threatened Polish insurrections, had remained marvellously logical, and had confined itself to defensive and protective action.

¹ Of August 12. This telegram which was addressed by Lord Curzon from Paris to Warsaw and Berlin and repeated to Rome and Oppeln and also to the Foreign Office (as No. 597) stated: 'The Supreme Council decided to-day that communication should be addressed by Allies in firm language both to German and Polish Governments warning them to use all their influence to restrain their respective subjects pending decision of League of Nations respecting Upper Silesia. You should act accordingly in concert with your colleagues.' (See Vol. XV, No. 102, minute 1, p. 704.)

² Not printed.

No. 305

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 476 Telegraphic [C 16467/92/18]

FOREIGN OFFICE, August 17, 1921, 2.10 p.m.

Oppeln telegrams Nos. 330 and 331¹ (of August 14 and 15: reinforcements for Silesia).

Please inform French government that, in view of considerations urged by General Heneker, with which we understand French Acting Commissioner to be in agreement, we are prepared, in accordance with discussion at

¹ Nos. 301 and 302 respectively.

Supreme Council of August 12th,² to send 2 additional battalions to Silesia, as soon as transport is available and subject to despatch of similar reinforcements by French and Italian Governments.

Please also say that, if French Government so desire, we will send remainder of 14th Hussars as suggested by General Heneker, in which case we presume French Government will also wish to send additional cavalry regiment as suggested by Monsieur Ponsot.³

His Majesty's Chargé d'Affaires at Rome has been instructed⁴ to urge Italian Government, in accordance with undertaking given by Italian Ministers at Paris to arrange at once for despatch of two Italian battalions⁵ and we hope French representative at Rome will support him in these representations.

Repeated to Oppeln No. 129.

² See Vol. XV, No. 102, minute 4.

³ In Foreign Office telegram No. 482 of August 20 to Paris, Lord Curzon stated: 'War Office now say that it is impossible to send 14th Hussars as proposed. I presume that in these circumstances French Government will not send additional cavalry regiment. Please inform French Government.'

⁴ In Lord Curzon's telegram No. 354 of August 17, to Rome, not printed.

⁵ See Vol. XV, No. 102, minute 1 (p. 703).

No. 306

Mr. Kennard (Rome) to the Marquess Curzon of Kedleston
(Received August 19, 2.30 p.m.)

No. 344 Telegraphic [C 16678/92/18]

ROME, August 18, 1921, 8 p.m.

Your telegram No. 354.¹

Chef de Cabinet of Ministry for Foreign Affairs to whom I handed *aide-mémoire* in accordance with your telegrams, informs me that Council of Ministers has approved Minister for Foreign Affairs' proposal to send reinforcement of two battalions, that troops will be despatched without delay, and that General de Marinis now on his way to Oppeln has instructions to concert with his allied colleagues as to disposal of troops.

¹ See No. 305, n. 4.

No. 307

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 481 Telegraphic [C 16752/92/18]

FOREIGN OFFICE, August 20, 1921, 12.30 p.m.

When we were in Paris last week it was agreed that if reinforcements in Silesia were required each of the three great Powers should make an equal contribution. Two battalions each were the figures named. Accordingly Italy and ourselves had made arrangements to send these troops. I now read

in the papers that France is about to send a brigade. This would be a distinct breach of the agreement under which we consented to send further troops at all. If the report is correct you should call attention of French Government to the matter without delay and invite an explanation.

Repeated to Oppeln 131 and Rome 359.

No. 308

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received August 20, 11 p.m.)

No. 630 Telegraphic [C 16731/92/18]

PARIS, August 20, 1921, 8 p.m.

Your telegram No. 476 of August 17th.¹

Reinforcements for Upper Silesia.

Following is substance of reply received from Minister for Foreign Affairs:

The French Government had originally considered necessary strengthening of troops in Upper Silesia by a whole division, to which they proposed themselves to contribute a brigade. The French Ambassador had already been instructed to approach Your Lordship in this sense.

Nevertheless, French Government are now prepared to limit French contingent to two infantry battalions, a machine gun section, and a cavalry detachment. If necessary Governments will have to consider question of further reinforcements later.

The French Ambassador at Rome is being instructed to support representations of British Chargé d'Affaires and as soon as adhesion of Italian Government has been obtained the Versailles committee should make necessary arrangements. The note concludes by enquiring whether His Majesty's Government approve of this course.

Text by next bag.²

Above explains report referred to in your telegram No. 481, August 19[20]th.³

¹ No. 305.

² Under cover of despatch No. 2350 of August 22, not printed.

³ No. 307.

No. 309

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received August 21, 8.45 p.m.)

No. 635 Telegraphic [C 16734/92/18]

PARIS, August 21, 1921, 5.55 p.m.

My telegram No. 633.¹

I had the opportunity this morning of discussing the question of reinforcements for Upper Silesia with the Political Director,² and French Government

¹ Of August 20, not printed. In this Lord Hardinge had stated his belief that it would be 'somewhat difficult at this stage to induce the French Government to refrain from sending cavalry'. See No. 305, n. 3.

² M. E. M. J. de Peretti.

have agreed not to send cavalry, leaving this point for settlement at later date if cavalry reinforcements called for.

French Government are anxious to expedite despatch of remaining forces. Instructions will be sent as soon as possible to French Ambassador in London to arrange for concerted action both as regards notification to German Government of arrival of reinforcements and as to arrangements for despatch. See last paragraph of my telegram No. 630 of August 20th.³

Repeated to Oppeln.

³ No. 308.

No. 310

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received August 23, 7.15 p.m.)

No. 427 Telegraphic [C 16929/92/18]

BERLIN, August 23, 1921, 2 p.m.

Referring to General Heneker's telegram No. 341¹ proposing negotiations with German Government for removal of their export prohibition from Upper Silesia to Poland, I had an opportunity of discussing the matter with Minister for Foreign Affairs. He informed me that subject had been under discussion by German Cabinet on several occasions and that increased facilities could not wisely be granted. Export prohibition was indeed the only arm left to German element: they had been deprived of their arms: their defensive organizations had been broken up and if this last means of pressure was removed, nothing would be left to them. It was like taking brutally a man's shirt after disarming him. I asked Minister for Foreign Affairs if there was any reason to believe that this means of pressure was likely to be effective. He replied that he had strong reason to believe that prohibition was useful in influencing Polish opinion in Upper Silesia towards rapid settlement.

I continued to argue for some time in favour of General Heneker's views but Minister for Foreign Affairs persisted in his opinion that no action should be taken and he hoped that we should not take any joint action in pressing the subject on the attention of the German Government.

Repeated to Oppeln.

¹ Of August 21, not printed. General Heneker had submitted that 'steps should be taken to induce German Government to remove its ban on export to Poland of metal products manufactured in Upper Silesia' because 'one of likely causes of trouble here is unemployment'. He suggested that three courses might be considered, namely (1) that the Inter-Allied Plebiscite Commission should 'deal with matter direct with German Government'; (2) that the Commission should ask the Conference of Ambassadors to act; (3) that H.M.G. should 'take up question with German Government in conjunction with French and Italian Governments'. He himself preferred the third course. Cf. No. 28.

No. 311

The Marquess Curzon of Kedleston to Lord D'Abernon (Berlin)

No. 203 Telegraphic [C 16734/92/18]

FOREIGN OFFICE, *August 24, 1921, 2 p.m.*

Paris telegram to Oppeln No. 46 (of August 12th).¹

Upon the advice of their commissioners at Oppeln, British, French and Italian Governments have now decided upon the despatch to Silesia of reinforcements, consisting of two British, two French and two Italian battalions.

Immediately your French and Italian colleagues receive similar instructions, Your Excellency is authorized to make a joint communication to German Government to this effect.²

Details of movement will be communicated as soon as possible (see your telegram No. 412 (of August 3rd)).³

Repeated to Paris No. 488, Rome No. 361.

¹ No. 296.

² This joint communication was made on August 27 and reported to the Foreign Office in Berlin telegram No. 436 of that date, not printed.

³ Not printed.

No. 312

The Marquess Curzon of Kedleston to General Sir W. Heneker (Oppeln)

No. 135 Telegraphic [C 16929/92/18]

FOREIGN OFFICE, *August 26, 1921, 4.30 p.m.*

Your telegram No. 341 (of August 21st; Exports from Silesia to Poland).¹

Position since my despatch No. 54 (of May 4th)² was written has been materially changed by the insurrection, by the prolongation of the period of occupation, with the danger of further disorder before evacuation, and finally by your present conviction that metal exports to Poland will relieve that danger by diminishing unemployment. I am consequently prepared, if the Commission unanimously consider such exports necessary as a safeguard against disorder, to waive my opposition to interference with German export prohibitions. But that interference must be kept within narrowest limits, and the exports permitted should be confined to that volume and to those commodities which you consider necessary and sufficient to prevent disorder by reducing unemployment.

The question of method remains. I should prefer the Commission to act on their own responsibility, without reference to the German authorities and without previous discussion, which would probably be fruitless, between the allied Governments and the German Government. The only reason to the contrary would seem to be that used in your telegram No. 295 (of July 27th),³

¹ See No. 310, n. 1.

² No. 28.

³ Not printed.

namely, that the Commission have no legislative power. But it is not clear that legislative power is necessary to enable the Commission to take the action desired, which would seem to be purely administrative in character, and which they will be able to justify as necessary for the preservation of order.⁴

I am content to leave to your discretion the consideration of this point and any consequent action that you may think desirable, provided always that the scope of the Commission's action is circumscribed as indicated above, and is not extended to imports.

Repeated to Berlin, No. 207, Warsaw No. 183, and Paris by bag.

⁴ In a minute of August 25, Mr. Shearman, an Assistant Legal Adviser to the Foreign Office, stated that the German Government, whose powers were enjoyed by the Commission in virtue of Section 3 of the annex to article 88 of the treaty, 'apparently has legislative authority to control exports'.

No. 313

Sir E. Howard¹ (Madrid) to the Marquess Curzon of Kedleston
(Received September 3, 11.50 a.m.)
No. 187 Telegraphic [C 17459/92/18]

MADRID, September 2, 1921, 6.30 p.m.

My telegram No. 186.²

I have just received reply of Spanish Government to French Ambassador. Government agree to allow Spanish Ambassador at Paris to accept place on committee of four members of Council of League of Nations, but decline to allow him to act as President.

Repeated to League of Nations.

¹ H.M. Ambassador at Madrid.

² This telegram of September 2, not printed, reported that the French Ambassador at Madrid had requested the Spanish Government to permit Senor Quiñones de León to act as president of the Committee of Four. Mr. Balfour in an unnumbered telegram from Geneva to the Foreign Office, dated August 29, repeated to Madrid, had requested that 'strong representation could be made at Madrid in support of our views'. In Foreign Office telegram No. 89 of August 31, not printed, Sir E. Howard had been instructed to 'approach Spanish Government accordingly'.

No. 314

The Marquess Curzon of Kedleston to Sir H. Stuart¹ (Oppeln)
No. 146 Telegraphic [C 17777/92/18]

FOREIGN OFFICE, September 8, 1921, 3.30 p.m.

Recent note from French Ambassador states that French Government consider that it will not be the function of the allied troops in Upper Silesia to impose by force the allied decision as to the future frontier; that it will be

¹ Sir H. Stuart had resumed charge of his office at Oppeln on September 7.

for the German and Polish Governments to occupy and to maintain order in the respective zones allocated to them; and that the allied troops will have to preserve a strict neutrality during the course of the occupation by German and Polish authorities, and in the event of violation of the new frontier by regular or irregular forces.²

In order that the allied occupying forces may be clear on these points the French Government suggest that the allied Powers should address simultaneous instructions to their representative at Oppeln to the above effect.

² The French note dated August 31, not printed, contained the following passage: 'Les troupes alliées devront maintenir strictement leur neutralité au cours de l'occupation des territoires attribués, comme vis-à-vis d'une transgression éventuelle de la nouvelle frontière par des forces régulières ou irrégulières.' In a minute of September 3, Mr. Waterlow commented: 'The note seems intended to legalise in advance, this time, what the French did during the last insurrection.'

No. 315

The Marquess Curzon of Kedleston to Sir H. Stuart (Oppeln)

No. 147 Telegraphic [C 17777/92/18]

FOREIGN OFFICE, *September 8, 1921, 3.30 p.m.*

My immediately preceding telegram¹ (of September 8th. Instructions to allied troops on announcement of allied decision as to future of Upper Silesia).

Subject to concurrence of Army Council I propose to reply that His Majesty's Government are prepared to send instructions suggested, with reservation that it must be clearly understood that the allied troops are to continue to maintain order and to prevent any disturbance until the German and Polish authorities have definitely effected the occupation of the territories to be assigned to them respectively, when the allied troops are to be withdrawn.

Do you agree?²

¹ No. 314.

² In his telegram No. 365 of September 9, not printed, Sir H. Stuart stated that he agreed with the proposed reply to the French Ambassador's note, and recommended 'that joint representation should be made by the Allies to both Governments to respect the frontier laid down by the Supreme Council'. In a letter of September 22, the Army Council also agreed with the proposed reply, and in his reply of September 29 to the French memorandum of August 31, Lord Curzon stated: 'The instructions which the French Government desire to see issued to the allied Representatives at Oppeln are, presumably, not to be read as derogating from the duty of the allied troops to continue to maintain order and, if necessary, take action to prevent disturbances, from whatever quarter arising, in any zone of the plebiscite area within their occupation until such zone shall have actually been transferred to the German or Polish Government authorities in execution of the Supreme Council's decision, when the allied troops will immediately be withdrawn from the zone and will not return to it under any circumstances.'

Letter from the German Minister for Foreign Affairs to the Marquess Curzon of Kedleston (Received October 8)¹

[C 19444/92/18]

Private and very confidential

BERLIN, October 6, 1921

Dear Lord Curzon,

Allow me to write these lines to you privately because the political situation is growing extremely difficult for Germany on account of Upper Silesia.

According to my latest informations the deliberations of the Council of the League of Nations at Geneva are taking a very unfavourable turn for Germany. It appears that besides the districts of Pless and Rybnik a great and important part of the 'industrial triangle', i.e. Kattowitz, Königshütte and Beuthen is to be severed from Germany. This would be quite contrary to what Mr. Lloyd George has been trying to bring about with so much prospect of success during the last months.

A solution of the kind contemplated at Geneva would create a degree of ill-feeling throughout Germany, the gravity of which is perhaps not realized elsewhere, and the position of those who are working for a sincere and durable understanding with England would most likely be severely shocked. What it would mean for the financial and economic situation of Germany I need not dwell upon. I think it my duty to attract your personal attention to this state of things while it is still time.

We fully recognize all that you and Mr. Lloyd George have done for Germany of late and I am most anxious to carry on a policy which will lead to increased mutual confidence and possibly to a closer understanding in the future. So far this policy has succeeded very well and is gaining every day more ground in unexpected quarters. But I am extremely alarmed at the effect of a bad decision about Upper Silesia on our foreign and internal situation.

I suppose I am not wrong in assuming that the verdict of Geneva is not the final decision and that the matter must come before the Supreme Council. Of course I realize the difficulties that a decision of the Supreme Council, contrary to the Geneva verdict, would be likely to have at this moment. But it would probably be possible to postpone by a demand of further investigation the verdict of the Council of Geneva whose members have as yet not visited the districts they are to pronounce their opinion upon. And if this were not feasible, at least the next meeting of the Supreme Council might be delayed so as to gain time for preparing a better solution. I think that it would be understood in all countries that, in view of the uncertainty of the financial situation of the whole world, no such great political change should be carried out at the present moment.

¹ According to a minute, by Sir E. Crowe, dated October 8, the German Chargé d'Affaires had asked to hand this letter to Lord Curzon personally. 'He brought it to me this morning and asked me to open and read it. . . .'

I hope you will not doubt my assurance that the loss of Pless, Rybnik, Beuthen, Kattowitz and Königshütte, that is to say two fifths of Upper Silesia, and those the most valuable districts of the whole country, including a number of important German towns three years after the war has ended, would create an extremely difficult situation for Germany as a whole, and for all supporters of a better understanding with England in particular. I trust that England will not withdraw her most valuable assistance in bringing about the state of things that all statesmen should be working for, that is the real pacification of Europe.

I wish you would kindly consider the contents of this letter and I should be very indebted to you if you would submit my views to Mr. Lloyd George.²

Believe me, dear Lord Curzon,

Yours sincerely,

ROSEN

² Lord Curzon replied to Dr. Rosen on October 10, saying that 'no recommendations have been made to the Allied Powers' and declining 'to enter into a onesided discussion' with the German Government. He added: 'From the moment when the Supreme Council asked the advice of the Council of the League of Nations on the Silesian dispute, I have carefully refrained, not merely from every kind of intervention in the deliberations of the Council, but from any attempt to ascertain the progress of these deliberations.'

Copies of Dr. Rosen's letter and of Lord Curzon's reply were sent to the Prime Minister. The German representations were amplified in a note of October 7, not printed, from the German Chargé d'Affaires to Lord Curzon. This note stated that the Czech expert M. Hodacz (a representative of the employers' interest on the Temporary Mixed Commission for the Reduction of Armaments) had 'declared quite frankly that Kattowitz, Beuthen and Königshütte must go to Poland, and that industry would find a means of coping with the situation later on'.

No. 317

*Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received October 7, 11.10 p.m.)*

No. 480 Telegraphic [C 19322/92/18]

BERLIN, October 7, 1921, 7.45 p.m.

Anxiety regarding fate of Upper Silesia has again become intense. Rumours are constantly telegraphed and telephoned from Geneva, regarding probable decision unfavourable to Germany. These have produced widespread alarm.

Most of the representations made to me are not worth reporting but following interview deserves attention from high official position of Herr Loebe and from his personal influence and very (? good) character. Herr Loebe, president of Reichstag sent me an urgent message last night, asking me to receive him. When he came, he said he was acting partly on suggestion of President of the Republic. Purport of his message was as follows:

'We hear that Geneva decision will be unfavourable to Germany in that industrial area will be divided, and that Kattowitz, Beuthen and Konigshutte will go to Poland. We desire to represent what disastrous effect this will

make in Germany; it will not only destroy present Government, but will cause a severe setback to policy of co-operation with England, and confidence in her.

'I hardly know why I come to you in this critical conjuncture [? juncture] but such confidence is felt now in England, in her breadth of view and fairness, that we all feel impelled to appeal to her for protection against the bitter and unjustified suspicion of the French. You will hardly believe how general this feeling is, but I can assure you that in recent confidential discussion, notably in secret debate on Wiesbaden agreement¹ the other day even German national [? National Party leader] Doctor Helfferich and People's Party leader Stresemann said "do nothing to alienate England—our policy must conform to hers—that is the only path of safety."' Loebe added 'personally I regard co-operation with England as wise course, and I observe that this policy has made extraordinary progress lately. I want to warn you against letting it receive a severe blow.'

In reply I was not able to say much to Loebe beyond expressing my thanks for friendly expressions and stating I was without any definite news from Geneva. I considered some scepticism not inappropriate respecting rumours current but I would convey his message to His Majesty's Government, and felt confident that views expressed at Paris and elsewhere by Prime Minister and Your Lordship represented deliberate policy of England in respect to Upper Silesian problem. Subject to deference (? due to) advice of an arbitral tribunal I was convinced they would continue to govern our attitude.

¹ See No. 711, n. 1, below.

No. 318

The German Chargé d'Affaires to the Marquess Curzon of Kedleston
(Received October 10)

No. A 3185 [C 19433/92/18]

LONDON, October 7, 1921

Translation.

In continuation of his note of to-day's date¹ (A. 3181) the German Chargé d'Affaires begs to inform the Secretary of State for Foreign Affairs that the information therein set forth with regard to the present position of the Upper Silesian question has received yet further confirmation. It has been indisputably proved that the experts of the League of Nations have been instructed under all circumstances to suggest guarantees for the continued existence of Upper Silesian industry, which guarantees are to render possible and justify the drawing of a political line of demarcation through the industrial territory. In view hereof, it would appear to be their chief concern to settle the currency question and the railway and traffic questions closely connected therewith.

¹ See No. 316, n. 2.

As Mr. Dufour-Feronce had the honour to state in the note referred to above, it is impossible for Germany to render either direct or indirect assistance in regard to the creation of an independent economic territory. The proposed concessions with regard to non-liquidation of German property, the freedom from military service for the population of the territory to be ceded, and the guarantee of coal supplies, can alter nothing in regard hereto. Owing to urgent financial and politico-economical reasons, the drawing of a political frontier line involves also the drawing of an unconditional economic frontier.

A German-Polish agreement on a permanent and sound basis can only be considered if Poland renounces territorial claims to Upper Silesia. In that event, the German Government would be willing to make concessions to Poland in the economic field, which willingness has been several times expressed by the German Government. The concessions would be based on the following:

- (1) The conclusion of long-period agreements for coal deliveries at current inland prices (5 to 10 million tons, approximately);
- (2) Assistance in building up Polish mining industry;
- (3) The grant of credits for coal already delivered;
- (4) Delivery of further Upper Silesian mining products;
- (5) Assistance in regard to obtaining mining timber.²

² The gist of the German objections was communicated to Mr. Balfour at Geneva in Foreign Office telegram No. 64 of October 10, not printed.

No. 319

*Sir M. Cheetham¹ (Paris) to the Marquess Curzon of Kedleston
(Received October 9, 10.20 a.m.)*

No. 730 Telegraphic: by bag [C 19354/92/18]

Urgent

PARIS, October 8, 1921

My telegram No. 727² and my despatch No. 2736.³

The Conference [of Ambassadors] today considered the proposals of the French Government to send instructions to the Upper Silesian Commission in view of the possibility of an outbreak occurring in Upper Silesia when the decision of the League of Nations becomes known.⁴ The French Government argue that the latter will leak out as soon as the Council of the League adopts it and that there is a danger that it will provoke outbursts in Upper

¹ H.M. Chargé d'Affaires at Paris, October 2-16.

² In this telegram of October 5, not printed, Sir M. Cheetham asked for instructions as to attitude to adopt in the Conference of Ambassadors on October 8 when the French proposals were discussed.

³ This despatch of October 5, not printed, transmitted a copy of the French proposals for instructions to the Allied troops in Upper Silesia.

⁴ Cf. Nos. 314 and 315.

Silesia. While in no way wishing to absolve the allied troops from the duty of maintaining order and if necessary preventing disturbances so long as the plebiscite territory has not been actually handed over to the Polish and German authorities, the French Government are anxious that the troops should not get involved in actual military operations incurring loss of life, during the transitional period which will occur between the taking of the decision by the League of Nations and its actual enforcement in Upper Silesia.

For this purpose they submitted a draft at today's meeting of the Conference of Ambassadors which however I declined to accept as I did not consider it conformed to the principle set forth in Your Lordship's note of the 29th September.⁵ Eventually, after considerable discussion, a further draft has been drawn up, which is enclosed in my despatch No. 2773.⁶ It has been accepted by the French and Italians, but I withheld my assent pending instructions from Your Lordship. If Your Lordship approves it, I shall be grateful for a very early reply as it is desirable that it should reach the allied Commission at Oppeln at latest on Monday,⁷ seeing that the League of Nations' decision is, I believe, to be formally adopted by the Council on that day.

I would call Your Lordship's attention to paragraph 4 of the draft instructions which deals with a fresh issue raised by the French at today's meeting of the Conference of Ambassadors.

These draft instructions, in order to save time, are being telegraphed to Oppeln with a warning that they do not become effective until approved by His Majesty's Government.

⁵ See No. 315, n. 2.

⁶ See No. 320, below.

⁷ i.e. October 10.

No. 320

Draft instructions from Conference of Ambassadors to Upper Silesian Commission respecting Allied Troops¹

[C 19376/92/18]

8 Octobre 1921

L'heure étant proche où sera prise une décision sur le tracé de la frontière en Haute Silésie, la Conférence des Ambassadeurs estime utile de préciser à la Commission Interalliée quelle attitude auraient à observer les troupes d'occupation dans le cas où la solution qui interviendra provoquerait d'un côté ou de l'autre des incidents ou des troubles.

Les cas suivants ont paru devoir être envisagés:

1^o) Dans les conditions actuelles, il appartient aux troupes dont dispose la Commission, qui a la responsabilité de l'ordre dans le territoire de plébiscite aussi longtemps que demeure en vigueur le régime d'occupation interallié,

¹ These instructions were transmitted by Sir M. Cheetham under cover of Paris despatch No. 2773 of October 8, not printed, and received in the Foreign Office on October 10.

d'assurer le maintien de la sécurité publique et, par conséquent, de prendre le cas échéant les mesures convenables pour réprimer les désordres quels qu'en soient les auteurs qui viendraient à se produire dans le territoire.

2°) Il en sera de même durant l'intervalle, que la Commission Inter-alliée est invitée à rendre la plus courte possible, qui s'écoulera entre la notification par les Gouvernements alliés aux Gouvernements allemand et polonais de la décision des Puissances et l'expiration du délai que fixera la Commission, conformément au paragraphe 6 de l'Annexe à l'article 88, pour l'occupation effective par les autorités allemandes ou polonaises de telle ou telle partie des territoires transférés: au cas où des troubles se produiraient, les troupes alliées, se conformant au rôle de police qui leur est dévolu, devraient s'employer au rétablissement de l'ordre.

Si cependant durant cette période, comme pendant la précédente, les troubles prenaient un caractère tel qu'il fallût pour les réprimer procéder à de véritables opérations militaires, il appartiendrait à la Commission, si elle ne jugeait pas disposer d'effectifs suffisants pour faire face à cette éventualité tout d'abord de prendre les mesures nécessaires pour assurer la sécurité de ses troupes et de solliciter des instructions des gouvernements alliés.

3) Dès que les Gouvernements allemand et polonais, agissant d'accord avec la Commission, auront fait occuper les territoires qui leur sont respectivement attribués, c'est à eux qu'il appartiendra de veiller à ce que la nouvelle frontière soit respectée par les troupes des deux parties comme par la population civile. Les forces alliées seront immédiatement retirées et ne devront rentrer dans les territoires transférés sous aucun prétexte.

4) Enfin, dans l'hypothèse où les autorités allemandes ou polonaises ne procéderaient pas dans les délais qui leur auront été fixés à l'occupation des territoires qui leur sont attribués, la Commission interalliée aura toute liberté pour ordonner dans les conditions qui lui paraîtront convenables, le retrait des autorités et des troupes alliées.

No. 321

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received October 9, 10.20 a.m.)

No. 733 Telegraphic: by bag [C 19356/92/18]

My telegram No. 730.¹

PARIS, October 8, 1921

Upper Silesia.

The German Ambassador called on me late last night and made following communication.

He said that German experts at Geneva has [have] ascertained that Katowitz, Königshütte and probably Beuthen were to be assigned by the League of Nations to Poland but nevertheless to retain their connection with the rest of the industrial district and thus preserve their union with Germany for

¹ No. 319.

certain economic purposes. In other words the political frontier would not be conterminous [*sic*] with the economic one. He came to state that Germany could not consent to this arrangement and would resist it.

The Ambassador informed me that he had made a statement in above sense to M. Briand and that a similar statement would have been made to Your Lordship² and at Rome.

I gathered at the Quai d'Orsay today that the object of this representation was probably to influence the decision by intimidation at the last moment, but it is also the French view that the Germans will make every attempt to protest against the decision whatever it may be and that this attitude will encourage the formation of bands.

² See No. 318.

No. 322

The Marquess Curzon of Kedleston to Sir M. Cheetham (Paris)

No. 567 [C 19354/92/18]¹

Very urgent

FOREIGN OFFICE, *October 10, 1921, 2.30 p.m.*

Your Telegram No. 730² and despatch No. 2773 (of October 8th. Upper Silesia).³

I am in agreement with criticisms of proposed instructions to the Commission contained in F.O. telegram No. 566 (of yesterday).⁴

Commission always has the right to ask for instructions from allied Govts. in particular circumstances and there seems no point in mentioning the fact specifically.

Moreover it seems inadvisable to tie hands of Commission in advance as to method of dealing with an unforeseen contingency which may or may not arise.

I suggest therefore that Second paragraph of section 2 and whole of section 4 should be eliminated.

Repeated to Oppeln.

¹ The approved draft only of this telegram has been preserved in the Foreign Office archives.

² No. 319.

³ See No. 320, n. 1.

⁴ Not printed. Lord Curzon had been out of town and this telegram was sent to Paris by Sir E. Crowe, who had stated that the 'argument for supreme need of immediate instructions is not very convincing'. He added 'second paragraph of number 2 is open to criticism that it would justify French Commissioner, on plea of insufficiency of forces, to continue the attitude of inaction and of passive obstruction which have in the past so gravely impeded the impartial repression of disorders. The paragraph seems quite superfluous and had much better be eliminated. Similarly, there seems no necessity for number 4. The contingency contemplated ought not to arise'.

No. 323

The Marquess Curzon of Kedleston to Mr. London¹ (Geneva)
No. 63 Telegraphic [C 19444/92/18]

FOREIGN OFFICE, *October 10, 1921, 5.30 p.m.*

German information purports to be derived from 'verbal statements made by experts appointed by League of Nations', and in particular from declarations made by Czech expert, Hodacz, who is said to have discussed question in Paris.²

Extremely difficult position will be created for His Majesty's Government if it should prove that experts appointed by League presumably for their impartiality have in fact committed indiscretions alleged, and especially should it not be possible completely to dissipate suspicion that Czech expert has been party to intrigues at Paris. In any case immediate explanation is necessary of fact, which has caused Lord Curzon extreme surprise, that German Government have been able to obtain detailed and apparently correct information which has not reached His Majesty's Government.

Repeated to Paris No. 568 and Berlin No. 225.

¹ H.M. Consul at Geneva since April 1, 1920.

² Cf. Nos. 316, n. 2, and 318.

No. 324

The Marquess Curzon of Kedleston to Mr. London (Geneva)
No. 64 Telegraphic [C 19444/92/18]

FOREIGN OFFICE, *October 10, 1921, 5.30 p.m.*

Following for Mr. Balfour from Sir M. Hankey:¹

'Silesia. German Government have communicated to Foreign Office through Embassy here particulars of solution that Council of League of Nations are stated to be about to propose.² Since these particulars harmonise with outline sketched in your letter of 29th September, and merely amplify it, it is presumed they are substantially correct.³

'As regards proposed international economic control of industrial triangle, German Government declare they must refuse to accept a scheme influenced apparently by advice of experts belonging to a country directly interested (Czechoslovakia) and drawn up without personal examination of local

¹ Secretary to the Cabinet.

² Cf. Nos. 316, n. 2, and 318.

³ In a letter of September 29 to Sir M. Hankey, not printed, Mr. Balfour had observed that it was the intention of the League Committee, 'placing ethnographic considerations in the forefront, and economic considerations only in the second line', to divide the industrial area. He added that schemes were being prepared to prevent any change of sovereignty from seriously affecting the industrial system; that minorities would be protected; that expropriation of German capitalists and dismissal of German foremen would be made impossible; and that a free movement of materials and manufactures would be established.

conditions by members of the council. Upshot of their protest is that German assistance, whether direct or indirect, in formation of an independent economic area is impossible. State Bank can give no credit or cover for monetary requirements under such conditions. For decisive financial and politico-economical reasons, drawing of a political frontier "involves also the drawing of an unconditional economic frontier".

(Repeated to Paris, No. 569; and Berlin, No. 226.)

No. 325

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston

(Received October 11, 10.50 a.m.)

No. 481 Telegraphic [C 19527/92/18]

BERLIN, October 10, 1921, 8.40 p.m.

Excitement here regarding Upper Silesia continues to increase and Government is in something like panic. They have telegraphed to Wirth to interrupt his holiday and return to Berlin. He arrives at ten this evening and Cabinet Council will be held at ten-thirty. Basis of all the excitement is a succession of rumours from Geneva that,

A. certain portions of the industrial area will be separated from Germany;
B. that a provisional international organization will govern industrial triangle for ten or fifteen years.

Rathenau, who came to see me this morning, will propose to Government to make a public declaration here that in the event of either of these rumours A and B being true Government will at once resign.

Rosen, who is no less perturbed that Rathenau, has sent Sthamer back to London post-haste with urgent communications to His Majesty's Government. I am endeavouring to keep Government on moderate and sensible lines and have pointed out to them that so far they are merely acting on uncertain rumours. It would at least be wise to wait for text of decision before proceeding to violent action. I have also advised them to make any communication on the subject through Sthamer who is already in full possession of their views.¹

¹ At Sir M. Hankey's request this telegram was repeated by the Foreign Office to Geneva as No. 66 of October 11. In his telegram No. 482 of October 10, not printed, Lord D'Abernon reported that Dr. Stresemann, who had been to see him about Upper Silesia, considered that 'the Government will fall if current rumours are confirmed by the published decision'. Dr. Stresemann, in his capacity of President of the Reichstag Committee for Foreign Affairs, had convoked a meeting for October 12; Lord D'Abernon had advised him 'to postpone meeting of Foreign Affairs Committee until they had something precise and certain to discuss'.

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received October 11, 10.15 p.m.)

No. 737 Telegraphic [C 19546/92/18]

Urgent

PARIS, October 11, 1921, 7 p.m.

Foreign Office telegram No. 566,¹ my telegram No. 733² and your telegrams Nos. 63 and 64 to Geneva.³

I feel Your Lordship ought to know that there is great uneasiness here over repeated⁴ journey of Mr. Fisher⁵ from Geneva to London, aggravated by report received last night from Berlin (and widely published here this morning) to the effect that:

(1) Lord D'Abernon has informed German Minister for Foreign Affairs of opposition of His Majesty's Government to Upper Silesian solution which Council of League of Nations is about to recommend, and

(2) German Ambassador in London has been summoned to Berlin and has informed his Government that His Majesty's Government have instructed Mr. Fisher to protest to Council of League of Nations on their behalf against proposed solution. There is much indignant comment on 'inadmissibility of British pressure on Council of League of Nations' which was supposed to act as an impartial tribunal: Pertinax even alleges that German Chancellor has been assured by His Majesty's Government of 'tenacious efforts being made for German cause'.

It appears from your telegrams to Geneva that leakage has occurred there, and it is somewhat difficult (as suggested in Foreign Office telegram No. 566 to me)¹ to lay on French Government alone the responsibility of keeping the secret, especially in view of forecast of solution published by *Observer* in telegram from their Geneva correspondent on October 9th.

From the point of view of calming this unreasonable excitement here, it is certainly desirable that the utmost publicity should be given forthwith to some re-assuring statement regarding the attitude and action of His Majesty's Government in connection with the forthcoming decision of the League Council. Your Lordship is of course well aware of the extreme sensitiveness of the French opinion as regards Upper Silesia generally, and British policy on this question in particular.

Repeated to Geneva and Berlin.

¹ See No. 322, n. 4.

² No. 321.

³ Nos. 323 and 324 respectively.

⁴ In his telegram No. 745 of October 14, not printed, Sir M. Cheetham stated that this word should have read 'reported'. Cf. No. 331, below.

⁵ President of the Board of Education; British Representative on the Council of the League of Nations and British Delegate to the Second Assembly of the League of Nations.

No. 327

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston

(Received October 11, 10.40 p.m.)

No. 739 Telegraphic [C 19547/92/18]

PARIS, October 11, 1921, 8.20 p.m.

I am being pressed by Ministry of Foreign Affairs to ascertain views of His Majesty's Government as to proceedings to be adopted by principal Allied powers for putting into force decision of League of Nations on Upper Silesia. I understand French Government some days ago proposed to His Majesty's Government¹ and Italian Government that instead of a special and immediate meeting of Supreme Council, Conference of Ambassadors should be empowered to act in this matter. Italian Government have agreed to this course but Ministry of Foreign Affairs complain that they have received no reply from London. They urge that League of Nations will reach a decision at the latest by October 13th and that it is in the interests of everyone, if disturbances are to be avoided in Upper Silesia, that there should be as brief an interval as possible between communication of this decision to Allied Governments and formal adoption by latter of decision and its communication to German and Polish Governments and to plebiscite commission. The Ministry professed its fear that whatever decision may be there are bound to be disturbances and that the only way to minimize these is to give leaders as little time as possible to organize before decision is actually put into force.

Monsieur Laroche said that his Government did not wish to make any difficulties about character of allied body which is to deal with this question but they attach utmost importance to point that it should meet soon.

¹ This proposal was contained in a note from M. de Montille, the French Chargé d'Affaires in London, dated October 7, not printed.

No. 328

The Marquess Curzon of Kedleston to Lord D'Abernon (Berlin)

No. 228 Telegraphic [C 19527/92/18]

FOREIGN OFFICE, October 11, 1921, 9.30 p.m.

Your telegrams Nos. 481 and 482.¹

German Ambassador came to see me this morning and used language similar to that which you report about alleged Silesian decision. He represented that present German Government would inevitably fall, that no alternative Government was possible, and that a general election must follow in which there was every chance of successful monarchical reaction. Not having received any information from Geneva, I could not confirm or repel his fears: but pointed out to him that three stages were involved:

¹ See No. 325 and No. 325, n. 1.

(1) report of Commission, (2) acceptance or rejection of it by Council, (3) reference to Supreme Council. Any criticism of report must, I thought, be confined to the second of these stages, because, when the third was reached, Supreme Council could hardly be summoned to discuss a decision which all its members had publicly declared their intention to accept. In reply to his suggestions that His Majesty's Government might issue instructions to their representative on the Council at Geneva to oppose the plan, I replied that we could not do this on an unconfirmed report, that Mr. Balfour was thoroughly conversant with every aspect of the case, and that it would be both improper and unwise, in view of what had passed, to fetter his judgment. I could not therefore give much encouragement to Herr Sthamer. But I urged that the German Government should not resign in a panic but should carefully examine the proffered settlement, whatever it might be.

Repeated to Geneva No. 68, Paris No. 575.

No. 329

Mr. London (Geneva) to the Marquess Curzon of Kedleston
(Received October 12, 7.40 p.m.)

No. 51 Telegraphic [C 19603/92/18]

GENEVA, October 12, 1921, 12.10 p.m.

Following from Mr. Balfour for Sir M. Hankey.

Your telegrams of October 11th.¹

Full text of Council's decisions² will be sent you to-night. As you must have anticipated from my previous communications especially from my letter of September 29th,³ these decisions involve a partition of industrial area and a series of elaborate provisions designed to mitigate inevitable inconveniences of this policy.

¹ i.e. telegrams No. 66 (see No. 325, n. 1) and No. 67 (private) of October 11, not printed.

² For the text see *League of Nations, Minutes of the Extraordinary Session of the Council, August 29–October 12, 1921*, pp. 16–24.

³ See No. 324, n. 3.

No. 330

Mr. London (Geneva) to the Marquess Curzon of Kedleston
(Received October 13, 2.15 p.m.)

No. 50 Telegraphic [C 19655/92/18]

GENEVA, October 12, 1921, 3 p.m.

Following for Sir M. Hankey from Mr. Balfour.

Your telegrams Nos. 63 and 64.¹

(? Probably) German Government obtained information from German

¹ Nos. 323 and 324 respectively.

Silesian witnesses² who were examined here. Questions addressed to these must necessarily have indicated that the questioners contemplated division of industrial triangle and that some machinery for avoiding . . .³ evils of such a division was in contemplation. It does not appear from your telegram that more than this is known by German Government though doubtless (? more) might be easily conjectured. As for German contention that they will accept no solution of problem except one based on personal investigation of local conditions by members of Council of League of Nations, this appears to me to be mere insolence. They made no such objection to proceedings of Supreme Council although there seems to be no reason to believe latter are less competent to carry out local investigation than former.

If Germans reject scheme for providing economic safeguards nothing would be easier than giving Poland free hand in such matters as expropriation of German industries on Polish side of the line. The 'unconditional frontier' which Germans demand would probably be ruin of their Silesian industries. I cannot conceive why Hodacz should be regarded by Germans as a partial investigator, but in any case his views cannot be due to any intrigue in Paris, seeing that they were fully (? expressed) in writings [*sic*] before his journey to Paris was undertaken. He was never consulted as to the frontier line which (? presumably) was not finally determined till after (? he had) left Geneva.

(? Your) observations about the Germans obtaining information before His Majesty's Government is not understood. My letter of September 29th contained all information then in my possession. It still represents the broad outlines of our policy. I was not aware that His Majesty's Government desired to be kept minutely acquainted with further developments. Nor indeed should I have been in a position to (? divine) their views since it is only . . .³ last few days that member of Council representing Argentine Republic surveyed in detail work of the other four.

Repeated to Paris and Berlin.

² In his letter of September 29 (see No. 324, n. 3) Mr. Balfour had written: 'Local opinion has been consulted in the shape of a German and Polish employer and a German and Polish workman.'

³ The text is here uncertain.

No. 331

The Marquess Curzon of Kedleston to Sir M. Cheetham (Paris)

No. 577 Telegraphic [C 19546/92/18]

Very urgent

FOREIGN OFFICE, *October 12, 1921, 5 p.m.*

Your telegrams Nos. 737 and 739 (of October 11th: Upper Silesia).¹

Rumours about attempts on part of His Majesty's Government to influence decision of the Council of the League are destitute of slightest founda-

¹ Nos. 326 and 327 respectively.

tion and can be categorically denied, as well as reported statement to German Government by His Majesty's Ambassador at Berlin.²

There is no truth in story of Mr. Fisher's³ repeated journeys between Geneva and London, though even were they true, I am at a loss to understand why any restriction should be placed upon the movements of the representative of any country at Geneva in order to avoid the malicious calumnies of a foreign press. Mr. Fisher has been back in England for over a week and has had nothing to do with Silesian question. No attempt whatever has been made to fetter the judgment of British representative at Geneva; and to this moment I am entirely unaware what action he may have taken or what decision has been arrived at by him or his colleagues. Were it not that there seems to be a deliberate campaign of falsehood in French press I should be almost ashamed to deny these grotesque inventions.

As regards French Government's proposal that Conference of Ambassadors should be empowered to give effect to decision of the Council, I have already informed French Embassy,⁴ in answer to an official note from them,⁵ that it is not, in our opinion, possible to decide length of time required to arrive at and give effect to League's decision, nor as to necessity or otherwise of summoning Supreme Council, until after the exact terms of League's decision have been communicated officially to the principal allied Governments.

I do not appreciate your difficulty in impressing upon French necessity of secrecy about the recommendations of the Council until such time as the allied Governments may decide how best to give effect to them. According to reports that have reached us, German information was said to be derived from statements made in Paris by the Czechoslovak expert employed by the League.

Repeated to Berlin No. 229.

² Cf. No. 325.

³ See No. 326, n. 5.

⁴ In a letter to the French Chargé d'Affaires dated October 12, not printed.

⁵ See No. 327, n. 1.

No. 332

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received October 12, 6.5 p.m.)

No. 741 Telegraphic: by telephone [C 19598/92/18]

PARIS, October 12, 1921

My telegram No. 739 October 11th.¹

Upper Silesia.

At Conference of Ambassadors to-day Monsieur Cambon stated that Monsieur Briand as signatory of Supreme Council letter to League of Nations² has been informed that he will receive official decision of Council of League³

¹ No. 327.

² This letter of August 12 is printed in *L.N.O.*, November 1921, p. 982. Cf. No. 296, n. 2.

³ See No. 329, n. 2.

tomorrow morning. Council of League has further enquired when the Powers intend to communicate decision to German and Polish Governments since they desire to publish decision themselves with a commentary as soon as possible. Friday evening 14th instant is suggested by Council as appropriate date.

French Government have replied strongly deprecating publication at so early a date. They trust that His Majesty's Government will support this view at Geneva since short delay mentioned gives no time for assembly of Supreme Council or representatives accredited by them or for rendering of decision by this body. They think interval between notification to Monsieur Briand of decision of League of Nations and adoption of latter by Supreme Council should be made as brief as possible, in order to prevent almost certain leakage when facts are known by numerous secretariats of League.

French Government also propose that commissioners at Oppeln should be notified officially by the Powers of nature of decision of Supreme Council 48 hours before German and Polish Governments are similarly notified. They argue that commissioners must have time to take necessary measures such as movements of troops etc., character of which will depend on decision announced.

French Government earnestly beg for early consent of His Majesty's Government to this proposal.⁴

⁴ In his telegram No. 579 of October 13, not printed, Lord Curzon informed Sir M. Cheetham that he agreed with the French Government that 'publication . . . is to be deprecated until principal allied Powers have had opportunity to consider it and have announced their decision'. This telegram was repeated as No. 69 to Geneva.

No. 333

*Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received October 13)*

No. 742 Telegraphic: by bag [C 19599/92/18]

PARIS, October 12, 1921

Your telegrams Nos. 730 and 767.¹

The Conference of Ambassadors this morning considered the demand of His Majesty's Government that the second paragraph of section 2 and section 4 should be omitted from the draft instructions it was proposed to address to the Interallied Commission at Oppeln on the subject of the use of Allied troops in case of disturbances. I used the arguments furnished in your telegrams Nos. 730 [*sic*] and 767 [*sic*] to show that these instructions were, in the opinion of His Majesty's Government, superfluous and unnecessary. Neither the French nor the Italian representative showed any sign of giving way during a protracted discussion, and Marshal Foch, who took a leading

¹ In the Foreign Office it was suggested that these numbers should read 566 and 567; see No. 322, n. 4, and No. 322.

part, no doubt attended the meeting in order to emphasise the strength of the French views and the importance which they attach to them. The French more particularly have in conversation expressed the fear that if any French soldiers are at this stage killed by Germans in Upper Silesia, it will at once provoke demand in this country for forcible measures against Germany.

As regards paragraph 2 of section 2, the French urged that, inasmuch as the Commission are instructed to use Allied troops to maintain order it is essential to indicate clearly the distinction between employing troops for maintaining order and employing them in serious military operations involving bloodshed with all its consequences. So long as the troops are able to keep in check any disturbances of the peace the case for military measures will not arise, but should the Commission be faced by a general insurrectional movement it is essential that the Commission should know in advance that they are not expected to sacrifice their troops when once the task of maintaining order is realised to be impossible. It is very important, in order to avoid loss of time and uncertainty in the Commission due to conflicting opinion should this eventuality occur suddenly that the Commission should not be in any doubt as to how to act. It is for this reason that the French Government urge that the Commission should be told forthwith that when once it is shown that their troops are insufficient to cope with the situation, they should, notwithstanding their instructions to maintain order, provide for the safety of their troops by calling them in from outlying posts and concentrating them as they think best pending definite instructions from the Allied Governments, who would then decide whether or not definite military measures were to be taken to suppress the insurrection. Marshal Foch supported these views from a purely military point of view. The Italian Ambassador also expressed complete agreement with them. Indeed, he proposed to limit a little further the responsibility of the Commission for maintaining order by inserting the word '*locaux*' after '*troubles*' in the sentence '*au cas où les troubles se produiraient*' in paragraph 1 of section 2. I of course refused to accept this.

The French are not so keen on section 4, but both M. Cambon and Marshal Foch urged in favour of its retention that it is quite possible that one or other of the Governments may very well refuse to take over the territory allotted to them for the sole purpose of embarrassing the Allied Governments. On the other hand, they point out that section 4 is not in the nature of a direct instruction, but merely gives authority to the Commission to withdraw its troops if it thinks desirable!

As a way out of the difficulty I suggested that the Commission might be authorised to act on the instructions with the omission of the two objectionable paragraphs, and that they should at the same time be asked whether they desire further instructions on any specific points not covered by these instructions. Both the French and Italians however rejected this proposal at the time, but from subsequent private conversation with M. Laroche I gather that the French Government would be prepared to agree to such a compromise provided that the following words were added at the end of the

first paragraph of section 2 '*Dans toute la mesure compatible avec les moyens dont elles disposent.*'

I should be glad to learn whether I am authorised to arrange a compromise on the above lines, which I venture to think offers the best means of escaping from a rather awkward position.²

² In his telegram No. 155 to Oppeln of October 13, not printed, Lord Curzon telegraphed to Sir H. Stuart the substance of Sir M. Cheetham's proposed compromise.

No. 334

The Marquess Curzon of Kedleston to Mr. Max Muller (Warsaw)

No. 200 Telegraphic [C 19605/92/18]

Urgent

FOREIGN OFFICE, October 13, 1921, 12.25 p.m.

Your telegram No. 407.¹ Silesia.

I saw Polish Minister yesterday who enquired whether it was true, though he did not believe it, that any pressure had been exercised by His Majesty's Government with regard to anticipated decision of League of Nations. I replied that so little truth was there in this ridiculous story that we did not even know except from press what decision was likely to be, and had not been in a position, therefore, to express any opinion about it. If report of Committee was endorsed by Council of League—which it now appears is the case—it would of course be accepted by all allied Powers in accordance with their pledges. I strongly urged the Poles to exercise moderation and self-control in Silesia as soon as decision is officially announced, and I had previously given the same advice to the German Ambassador. You may, therefore, unhesitatingly issue *démenti* which you propose.

Repeat your telegram with this reply to Oppeln.

¹ Of October 12, not printed. In this telegram Mr. Max Muller asked for authorization to issue a formal *démenti* of rumours in the Polish Press 'to the effect that His Majesty's Government view unfavourably approaching decision of League of Nations in regard to Upper Silesia'.

No. 335

The Marquess Curzon of Kedleston to Sir H. Stuart (Oppeln)

No. 156 Telegraphic [C 19599/92/18]

FOREIGN OFFICE, October 13, 1921, 9.30 p.m.

Our hesitation to accept French draft has been due to fear lest, in the event of fresh disturbances of nature of last Korfanty *putsch* French Commander should claim, in virtue of these instructions, right to adopt same attitude of inactivity and partiality to Poles as led to the deplorable crisis on former occasion. Whilst seriously apprehensive of provoking such risk, I am naturally anxious to avoid complete deadlock with French over this question, and

I should be glad to receive with minimum delay your opinion whether compromise suggested by Sir M. Cheetham¹ would sufficiently meet the situation from our point of view as above explained. Please consult with Sir W. Heneker and telegraph whether you approve, or if not whether you have any alternative suggestions to make.

Repeated to Paris No. 584.

¹ See No. 333.

No. 336

The Marquess Curzon of Kedleston to Lord D'Abernon (Berlin)

No. 231 Telegraphic [C 19432/92/18]

FOREIGN OFFICE, *October 14, 1921, 11.55 a.m.*

I saw German Ambassador yesterday afternoon and told him that decision about Silesia, as now more correctly reported,¹ was in my opinion much less unfavourable to Germany than had been believed. Fact that it had been unanimously approved by Council of League, including British representative—of which he was not then aware—showed that decision must have positive merits. Further it would be surprising if the proposals about future control giving an equal voice to the German Silesians with the Polish Silesians, did not in view of the national characteristics of the two peoples, ensure to Germany a preponderant influence on the economic and industrial future of the region. If I were a German I would make the best of it.

¹ See No. 329.

No. 337

The Marquess Curzon of Kedleston to Sir M. Cheetham (Paris)

No. 591 Telegraphic [C 19665/92/18]

Very urgent

FOREIGN OFFICE, *October 14, 1921, 7.5 p.m.*

Your telegram No. 746 (of October 13th. Upper Silesia).¹

You will already have received from French Government copies of the recommendations of the Council of League of Nations for settlement of Upper Silesian frontier.

We agree with proposal made originally by French Government that summoning of Supreme Council will be unnecessary and that Conference of Ambassadors should now be entrusted with duty of giving effect to recommendations.²

¹ Not printed. In this telegram Sir M. Cheetham reported that M. Briand had asked him 'to call attention of His Majesty's Government to the importance of notifying, with as little delay as possible, to the German and the Polish Governments the decision of the League of Nations, which the Allied Governments have undertaken to adopt as their own'.

² See No. 327, n. 1.

Following is the procedure which appears to us now to be indicated.

(1) Notify the Plebiscite Commission of the decisions of Ambassadors' Conference.

(2) After an interval of 24 hours, communicate the decisions to the German and Polish Governments, with the request that they will nominate forthwith Plenipotentiaries to negotiate the general convention contemplated for the purpose of setting up the Mixed Commission, and informing them that the Council of the League of Nations will be requested to appoint a chairman of an independent nationality to preside over the negotiations.

(3) Instruct the Plebiscite Commission to find the necessary personnel for delimiting the frontier, the German and Polish Governments being invited, if considered necessary, to appoint a representative each.

(4) Direct the Plebiscite Commission to remain in occupation of the whole area as, according to the recommendations of the Council of the League, they will continue to be responsible for the maintenance of order until the temporary régime to be established under the above convention is put in force, when the German and Polish Governments will definitely take over their respective areas.

The frontier delimitation commission should by then have commenced its labours, and

(5) Request the Council of the League of Nations:

(a) to appoint a chairman to preside over the negotiations for a general convention between Germany and Poland.

(b) to appoint a chairman of independent nationality to preside over the Mixed Commission.

(c) to set up an arbitral tribunal to settle any private disputes which might be occasioned by the application of the temporary measures laid down in the Council's recommendations.

Repeated to Berlin No. 232, Warsaw No. 201, Oppeln No. 158, and Rome No. 428.

No. 338

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received October 15, 10.15 a.m.)

No. 488 Telegraphic [C 19753/92/18]

Your telegram No. 231.¹

BERLIN, October 14, 1921, 8.10 p.m.

I shall hold similar language to German Government.

In this connection would it not be well to publish unofficially in London maps similar to that enclosed in my despatch No. 1231 of yesterday² which

¹ No. 336.

² Not printed, cf. n. 3 below. In his despatch No. 1643 of October 18 Lord Curzon suggested that 'it would be undesirable for H.M.G. in any way to be connected with the publication of papers or maps indicating the line taken or solutions advocated by individual allied powers in the plebiscite commission or in inter-allied committees or in the Supreme Council itself'.

show how favourably [*sic*]³ Geneva compares with le Rond proposal and how closely Geneva line follows Percival except in respect of industrial area?

Hopes of German Government are now centred in economic provisions regarding which they have received no authentic indication. If these prove real safeguards to German interests and constitute in effect an integral part of settlement it will do much to calm excitement here.

To impose territorial division without economic safeguards would be considered an outrage.

³ In his despatch No. 1231, Lord D'Abernon wrote: 'The immense difference between Le Rond and Geneva cannot fail to arrest attention. On the other hand, the small difference between Geneva and Percival is worthy of note. It may be said that, with the exception of Königshütte and Kattowitz, the Geneva line is approximately equivalent to the Percival line.'

No. 339

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston

(Received October 15, 11.30 a.m.)

No. 372 Telegraphic [C 19769/92/18]

OPPELN, October 14, 1921, 8.40 p.m.

Your telegram No. 156.¹

I have consulted Heneker and he agrees with me that instructions are entirely unnecessary and most undesirable. Commission has just issued a proclamation² regarding preservation of order in which following sentences occur:

The Inter-allied Administration Commission will severely punish any provocative action of whatever origin. The Commission is determined to prevent disorder of any kind; it will not tolerate public demonstration of any kind whatever may be motive. The Commission trusts that at the moment of final act which fixes its destiny, inhabitants of Upper Silesia will give evidence of same prudence as on the day of plebiscite and that they will relieve Inter-allied Governments at moment when it is completing the mission conferred on it by allied Powers, of necessity of a recourse to force.

Heneker and I are seriously apprehensive that proposed instructions even with amendments proposed by you will give French an opening for refusing to make adequate use of their military forces.

At present it is well understood that force will be used if necessary and at a recent meeting of Commission when General de Brantes asked General le Rond whether force was to be used latter replied that he was surprised that such a question should be asked. Please see also my telegram No. 369.³

¹ No. 335.

² See *Journal Officiel de Haute-Silésie*, October 28, 1921, p. 157.

³ In this telegram of September 16, not printed, Sir H. Stuart had reported the resolution of the Commission (No. 1039/C of August 5) 'to suppress by force every armed insurrection against the authority of the Commission whether of German, Polish, or Upper Silesian origin'. He added: 'This decision still stands and will be maintained by de Marinis and myself unless we are expressly instructed to the contrary.'

Commission is quite capable of asking for instructions if it requires them. I am confident that de Marinis would agree with me that no instructions are needed and since decisions are taken by a majority vote, that would, therefore, be opinion of Commission. I suggest that if Conference of Ambassadors is unwilling to drop the matter in view of our proclamation Commission should be asked whether it needs any instructions.

Repeated to Paris.

No. 340

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received October 15, 10.15 p.m.)

No. 373 Telegraphic [C 19768/92/18]

Urgent

OPPELN, October 14, 1921, 11.30 p.m.

My immediately preceding telegram.¹

I desire to inform Your Lordship that I do not admit the right of the Conference of Ambassadors to issue any instructions to this Commission. Each Government can issue instructions to its commissioner and remove him if he does not comply with them, but Commission is an independent entity created by Treaty of Versailles with defined powers and defined functions. It has even the right to interpret its own powers under Treaty. I am fortified in this opinion (? by) my knowledge that it is held by that eminent jurist Baron Rollin Ja . . . emyns . . . the Rhineland Commission.²

If any instructions are received from Conference of Ambassadors I propose, therefore, to ask my colleagues to hold that they are *ultra vires* of that body and to treat them merely as recommendations to be adopted or rejected as we may see fit.

Repeated to Paris.

¹ No. 339.

² The text was here uncertain. The reference is to Baron Jacquemyns, Belgian member of the Inter-Allied Rhineland High Commission.

No. 341

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received October 16)

No. 754 Telegraphic: by bag [C 19773/92/18]

PARIS, October 15, 1921

At meeting of Conference of Ambassadors this afternoon I submitted the 5 points given in your telegram No. 591¹ for putting into force the League of Nations' decision regarding Upper Silesia, but discussion of point 4 revealed

¹ No. 337.

at once fundamental difference of opinion, as French, strongly supported by Italian Ambassador, urged that once the notification of the frontier had been made to German and Polish Governments the Plebiscite Commission will be compelled in virtue of paragraph 6 of Annex to Article 88 to hand over the territory to Poles and Germans respectively within one month, irrespective of whether or not the Economic Convention had within that period been concluded. If it had not been concluded the allied Governments would then consider what steps to take to bring pressure to bear on the two Governments, but the frontier would automatically come into force and could not be postponed or modified. As regards the danger of the economic convention not maturing M. Cambon objected to the Conference making difficulties at this stage about a situation which probably will never arise for he felt sure that both Governments realise that the proposed economic convention was in their interests and that this negotiated under the direction of an impartial chairman would be concluded without delay or difficulty. I said I could not take this risk and I insisted that both parts of the League's proposal were inseparable and that the proposed frontier could not be enforced until the economic arrangements were likewise enforced. The Japanese Ambassador supported my point of view and stated that the Council of the League had carefully studied this particular point and held that the proposed frontier was dependent on the conclusion of the proposed economic arrangements and that if the latter were not concluded the frontier fell to the ground. He appealed in support of this contention to first sentence in penultimate paragraph of the Council's decision, but as the French and Italians at once pointed out, this sentence only speaks of the unity of the different economic proposals and says nothing of the union between the territorial and economic proposals.

M. Cambon suggested that the Polish and German Governments might be ordered to conclude the economic arrangements within a month, but M. Fromageot² stated that the treaty gave the allied Governments no power to impose such a convention.

I then proposed that to get over the difficulty the following formula might be inserted in the notification to be made to the two Governments:

'Both parts of this decision, *i.e.*, the definition of the frontier and the economic arrangements, are to be treated as an indivisible whole, and must be put into force simultaneously. So long as, for any reason, the economic arrangements are not, in the opinion of the Chairman of the Mixed Commission, satisfactorily embodied in the proposed Convention between Poland and Germany, and so long as this Convention has not been accepted by both Governments, it is to be understood that the frontier as now laid down will not become effective, and that the right of the Allied Powers to fix a frontier under Article 88 of the Treaty of Versailles will remain intact and unexhausted.'

But this was rejected as contrary to paragraph 6 of Annex to Article 88. I then suggested that the notification of the frontier should be delayed until

² Legal Adviser to the French Ministry of Foreign Affairs.

after the conclusion of the economic Convention, but this was equally rejected on the ground that it would involve an indefinite period of uncertainty which would be most dangerous.

A deadlock being thus reached I insisted on an adjournment to enable me to obtain instructions from His Majesty's Government. A further meeting of the Conference of Ambassadors has been fixed for Monday morning³ in hope that I may by then have received them. I found myself considerably handicapped by being entirely without legal advice and should be grateful if Sir C. Hurst or Mr. Malkin⁴ could at once come over. The Italian Ambassador supported M. Cambon throughout, and the Japanese Ambassador was too incoherent to be of much assistance to me.

Various other minor points were raised in connection with the procedure proposed in Your Lordship's telegram No. 591, but I will deal with these in a separate telegram.⁵

The Conference before adjourning decided on behalf of the allied Governments formally to adopt the whole of the proposals of the League of Nations (*'les faire les siennes'*), and to communicate them confidentially to the Oppeln Commission for their private information, so as to enable them to take any local measures that may be desirable. It is made clear to them that the proposals have not yet in any way been acted upon, and that they must not be divulged pending further instructions. The French had already sent copy of the proposals privately to Le Rond, who should have received them to-day, and will therefore now communicate them to his colleagues.⁶

³ i.e. October 17.

⁴ An Assistant Legal Adviser to the Foreign Office.

⁵ See No. 342 below.

⁶ In Foreign Office telegram No. 595 of October 16, not printed, Sir E. Crowe informed Sir M. Cheetham that his telegram raised 'complicated issues that cannot be decided without careful consideration by Sec. of State who is out of town. Impossible to send instructions in time for tomorrow's meeting'.

No. 342

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received October 17, 8.45 a.m.)

No. 757 Telegraphic [C 19776/92/18]

PARIS, October 16, 1921, 8.47 p.m.

Your telegram No. 591.¹

In your proposal number 2 the proposed convention is described as being contemplated for the purpose of setting up Mixed Commission, but after discussion with Viscount Ishii I gather that paragraph 14 of League of Nations' recommendation implies that Mixed Commission is to be set up at once by allied Governments acting on their own authority for express purpose amongst other things of facilitating negotiations of proposed convention,

¹ No. 337.

which is to embody economic proposals of League of Nations. It ought not therefore to be necessary to negotiate a separate convention for sole purpose of constituting Mixed Commission. Also neutral chairman of Mixed Commission is intended, in opinion of Viscount Ishii, to collaborate, if invited, with German-Polish plenipotentiaries in negotiations of economic convention, and there would thus be no need to ask League to appoint a second chairman for this purpose as suggested in (a) of your proposal 5. Viscount Ishii pointed out that Council had never contemplated appointment of a special neutral chairman to preside over these negotiations; since they intended Mixed Commission to perform the function of bringing two parties together. On the other hand there is of course nothing to prevent such a special chairman from being appointed if His Majesty's Government consider it necessary and I shall be glad to know whether I should press for it.

In your proposal No. 3, His Majesty's Government appear to contemplate creation of an entirely new Boundary Commission to be appointed by Plebiscite Commission to delimit Upper Silesian frontier. But according to M. Fromageot's reading of penultimate paragraph of article 87 the present Polish-German Boundary Commission is the body appointed by Treaty for this purpose. This Commission is, I understand, ready to undertake work as soon as ordered to do so. Am I authorised to agree? At Conference yesterday it was proposed that this Boundary Commission should be told at once to put itself at disposal of Plebiscite Commission, who will no doubt in due course attach to it any local experts who may be deemed necessary in view of peculiar nature of district.

No. 343

Mr. Max Muller (Warsaw) to the Marquess Curzon of Kedleston
(Received October 17, 3.30 p.m.)

No. 412 Telegraphic [C 19904/92/18]

WARSAW, October 16, 1921, 11.47 p.m.

Your telegram No. 202.¹

Recommendations of League of Nations respecting Upper Silesia so far as known here have been received with complacency if not with actual satisfaction.

Minister for Foreign Affairs informed me that he was well content; he had expected a less favourable decision and regarded award as a reasonable compromise. He said, however, that he would not like his opinion to become generally known and appeared surprised when I replied that it was the duty of Polish Government to proclaim it on the house tops and thus give a lead to public opinion.

¹ Of October 14, not printed. This telegram informed Mr. Max Muller that copies of the League of Nations' recommendations were being sent to him by bag.

His predecessor, Prince Sapieha, whom I saw yesterday, was also well satisfied and I gather that this is the attitude of Government as a whole and of official classes and of majority of intelligent public which rejoice at a satisfactory termination of long period of suspense.

General tone of press is 'We have got all we expected although not all we wanted' but there are, of course, exceptions. Organ of the National Democrats is violently opposed as is also Paderewski's organ.² These papers talk of intense indignation produced amongst inhabitants of industrial district and in all parts of Poland; attack on frontier award as being contrary to results of plebiscite and describe proposed . . .³ régime of economic interests in industrial district, in regard to which they cannot possibly have authentic information, as a glaring violation of Treaty of Versailles which specifically provides for partition of entire territory of Upper Silesia between Germany and Poland. Socialist paper 'Robotnik' also attacks award on national grounds.

There is anxiety in financial and commercial circles lest division of industrial area may have adverse effect on chemical mining and iron industries of Poland.

I am informed that *démenti* issued by me through Ministry of Foreign Affairs on the receipt of Your Lordship's telegram No. 200⁴ has produced a good effect.

Repeated to Berlin and Oppeln.

² i.e. the *Rzeczpospolita*.

³ The text is here uncertain.

⁴ No. 334.

No. 344

Memorandum by Sir E. Crowe

[C 19774/92/18]

FOREIGN OFFICE, *October 16, 1921*

The difficulty which has arisen in the ambassadors' conference¹ is due to a doubt whether the German and Polish governments can be got to accept that part of the allied governments' decision, based on the recommendations of the Council of the League of Nations, as [*sic*] deals with the economic regime to be set up by a German-Polish convention.

It is of course, theoretically possible that either the German or the Polish government may refuse. My own impression is that M. Cambon is right in suggesting that this is unlikely. According to the treaty, Germany and Poland must proceed to take over the areas allotted to them, within one month of the notification of the frontier as fixed by the allied governments (para. 6 of Annex to article 88). Under the same clause the allied governments are bound to make the notification as soon as the frontier has been fixed.

It may therefore be argued that the ambassadors' conference has practically no choice: it must at once notify the frontier to the two governments,

¹ See No. 341.

who will then have one month in which to negotiate the agreement for setting up the mixed commission. If the convention is for some reason or other not negotiated within that time, the occupation by Poland and Germany should nevertheless be carried out.

Mr. Salter, a British member of the secretariat general of the League² has discussed the situation with Sir M. Cheetham; it is he who has brought over the bag containing the two telegrams,³ and he also gave me a verbal message from Sir M. Cheetham, according to which the latter apprehends grave difficulties unless the notification of the frontiers to the German and Polish Governments can be deferred until it has been ascertained that they are ready to accept the economic arrangements recommended by the League.

I do not know with what authority Mr. Salter speaks; but according to him, the danger is that the Poles may wreck the negotiations for setting up the mixed commission, feeling that if they can get the frontier recommended by the League, without the economic safeguards, Poland would stand to gain. Mr. Salter maintains that this view is being already canvassed and advocated by the French Press.

I confess that I am sceptical about this. Without having any illusion respecting French policy, I doubt whether it is quite as Macchiavellian as suggested. To my mind the more likely danger is that the Germans, in a spirit of truculence, may be so blind to their own interests as to say: we will not accept the economic agreement, even if we suffer the more, consequently, in the end.

There is force in M. Cambon's suggestion that the most effective way of putting pressure on the Germans to accept the economic arrangement, is to proceed as originally contemplated, which would mean that if within one month after notification, the agreement for setting up the mixed commission is not negotiated, the frontiers will remain fixed nevertheless, and Poland will have the right to occupy the area up to the frontier line.

From this point of view, it would be best to let Sir M. Cheetham agree to the French proposal.

Since however, according to Mr. Salter, the view of the League experts, if consulted, would be strongly in favour of the formal notification being postponed until assurances are received that the economic arrangements will be accepted by Germany and Poland, I hesitate to press for the adoption of the simpler and more straightforward course.

Possibly the Secretary of State may desire to seek Mr. Balfour's advice on this point. Should he also take Mr. Salter's view, we could instruct Sir M. Cheetham to press it on the ambassadors' conference as that of H.M.G. with the suggestion that the readiest way to obtain the desired assurances would be for the French government to communicate unofficially with the German and Polish representatives at Paris, informing them of the line of frontier, which the allied powers are *prepared* to adopt on the understanding

² Mr. Salter was Secretary-General of the Reparations Committee of the League of Nations.

³ i.e. telegrams Nos. 754 (No. 341) and 755 of October 15, not printed.

that the economic arrangement with which the adoption of that line is intimately connected, will be promptly accepted.

I feel bound, however, to observe that the adoption of this course will give the appearance that the fixing of the frontier is, notwithstanding the League's award, not a thing definitely settled and that this may encourage the Germans to further resistance and obstruction.

No. 345

Sir E. Crowe to Sir M. Cheetham (Paris)

Unnumbered Telegraphic: by telephone [C 19776/92/18]

FOREIGN OFFICE, *October 17, 1921, 6 p.m.*

From Sir Eyre Crowe.

Your telegram No. 757.¹

Lord Curzon returns to town tonight and instructions cannot be sent to you until he has considered all the issues.

I offer following provisional and personal observations.

1. How could allied Powers possibly appoint German and Polish plenipotentiaries to negotiate a convention between their two Governments? Clearly only those Governments can make such appointments. The League's recommendations expressly provide for the negotiation of a separate convention by which Upper Silesia is to be placed under the special régime. This special régime is to be administered by the mixed Commission. Unless therefore the German and Polish Governments confer the necessary powers upon the mixed Commission, the special régime cannot work, and this must be done by the proposed convention.

2. If the League of Nations prefers to entrust one person with the double duty of presiding over the negotiation of the convention and over the mixed Commission, I see no reason for us to object.

3. Similarly if employment of existing Boundary Commission is preferred, we shall not object. Our proposal was designed to save time by employing officers on the spot familiar with the whole district.

4. Is it really necessary to send our legal adviser? Malkin cannot be spared because he is deep in preparatory work for Washington Conference.² Hurst, after months of strenuous work, is taking a few days badly needed rest in the country. I cannot understand where any *legal* difficulties arise as position under the Treaty seems quite unambiguous. If Fromageot has opinions or suggestions to put forward, why cannot you telegraph them instead of sending us League of Nations Secretariat official³ whose *locus standi* in the matter I do not understand.

¹ No. 342.

² For the Washington Conference, see Vol. XIV, Chaps. V and VI.

³ Mr. Salter.

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received October 17, 6.5 p.m.)

No. 766 Telegraphic: by telephone [C 19908/92/18]

PARIS, October 17, 1921, 6.5 p.m.

Upper Silesia.

In reply to your telephone message of this afternoon¹ I would offer following observations:

1. Mixed Commission. I regret that my telegram No. 757² should have led you to think that I proposed that allied Powers should appoint German and Polish plenipotentiaries. I quite recognise that they must be appointed by the German and Polish Governments, and my suggestion really amounts to a proposal that the President of the Mixed Commission, who is to be appointed by the League of Nations, should equally preside over the negotiations of the convention for embodying the economic proposals of the League. In support of this view I would mention that Viscount Ishii paid me a visit to-day to suggest that M. Ador³ might be selected to perform these joint functions. In the general convention the existence and functions of the Mixed Commission will, I recognise, have to be formally recorded, but I thought that in order that the Mixed Commission might be appointed without delay as suggested in paragraph 19 of the League of Nations decision, it might be constituted at once instead of waiting the conclusion of the convention embodying the economic proposals.

2. Boundary Commission. I think the employment of the existing Boundary Commission would save time as the Plebiscite Commission have not got the necessary expert surveyors and map makers who are attached to every Boundary Commission, nor even the necessary instruments.

3. Legal Advisers. I regret that neither Malkin nor Hurst are available. Discussion last Saturday showed that the application of the League of Nations decision is going to raise several purely legal questions, in discussing which the French have considerable advantage owing to the presence of Fromageot. Fromageot has not yet made any concrete proposals for meeting the present difficulties, but he has been instructed by the French Government to prepare a scheme and, as stated in my telegram No. 761,⁴ has definitely asked for a British Legal Adviser with whom to consult. We can of course submit his proposals by telegram but this procedure will naturally cause considerable delay. I hesitate, however, on this question to commit His Majesty's Ambassador who returns tonight and whom I will at once consult.

4. Mr. Salter. Mr. Salter was instructed by Sir E. Drummond to place

¹ No. 345.

² No. 342.

³ Former President of the Swiss Confederation, Swiss Representative on the League of Nations Council and Chairman of the Provisional Economic and Financial Committee of the League of Nations.

⁴ Of October 17, not printed.

himself at the disposal of this Embassy with a view to explaining any doubtful points in the League of Nations decision. As we had no messenger on Saturday night, we asked him to take a special bag for us containing my telegram No. 754.⁵

⁵ No. 341. On October 17 Lord Curzon minuted: 'I took the earlier note of Sir E. Crowe [No. 344] down to the Cabinet to consult Mr. Balfour only to learn that he has retired to Scotland.'

'I therefore spoke to Sir M. Hankey who handed me the enclosed note from Mr. Salter [No. 347 below] who I understand had telegraphed to Sir Eric Drummond and received the reply that such was the view of the Council of the League.

'This being so I would act upon it. The danger of the Poles occupying the territory allotted to them and then evading or defying the Commission of Control seems to me to be genuine.

'On the other hand the Germans may if we postpone the frontier allocation seek to escape it altogether.

'Of the two dangers the former appears to me the greater and I would therefore act as proposed.'

No. 347

Memorandum by Mr. Salter on the Upper Silesian Question¹

[C 19997/92/18]

(1) Whether or not the League's solution is satisfactory, it must obviously be accepted and put fully into practice.

(2) It is of the utmost importance that the economic part as well as the frontier should be effective. It would be disastrous if the frontier ran through the middle of the industrial basin, and if this frontier became in the fullest sense an economic barrier.

(3) Danger arises from the following facts:

(a) The Allies have full power under the Treaty to trace the frontier line, but they apparently have no power to impose economic conventions upon Germany and Poland. Moreover the control of the Plebiscite Commission and of Allied troops must under the Treaty cease a month after the formal notification of the frontier has been made; that is long before the economic conventions can be concluded.

(b) From the Polish point of view the frontier itself is probably better than they expected, but the economic provisions may be disliked as involving German economic domination. In this the Poles may find French support, as is already suggested by the articles of Pertinax, and the discussions at Saturday's meeting of the Conference of Ambassadors² suggests [*sic*] the French Government may also sympathise.

¹ This undated memorandum was transmitted to the Foreign Office by Sir M. Hankey on October 17.

² See No. 341.

(4) If therefore the Allies at once formally notify the frontier, and *so exhaust their powers under the Treaty*, the economic conventions may break down.

(5) In these circumstances, the following procedure seems to be the only one which will give security. The Supreme Council (or the Conference of Ambassadors acting for them) might refrain for the moment from making a formal notification of the frontier and might instead take the following line:

‘We accept fully (or if this is legally preferable “we hereby declare our intention of accepting fully”) the recommendations of the League of Nations in their entirety and announce our intention of giving effect to them by a formal decision in due course under Article 88 of the Treaty.

‘We observe that the League regard it as essential, in order to avoid the gravest disruption of the economic life in the industrial district, that a certain economic *Régime* should be secured for a transition period. We are so much in agreement with the League, both that temporary economic provisions are necessary and that those recommended by the League are fair, that we consider it desirable to ask Germany and Poland whether they are prepared to undertake:

- (i) to accept the principles recommended by the League as a basis of a general convention to be entered into by both countries.
- (ii) to nominate immediately their representatives on the Mixed Commission, composed by the League for the [? conclusion] of this Convention.
- (iii) to accept as Chairman of this Commission a person nominated by the League.
- (iv) to accept the decision of the Chairman or the Council of the League on points of difference.
- (v) to agree that negotiations should commence within four weeks and be completed within a period of (query 3 to 6 months).

‘On receipt of satisfactory replies, the Supreme Council will at once formally notify the line recom[m]ended by the League in accordance with the Treaty.

‘If either party refuses to accept, the Supreme Council reserves its right to adopt a different line, to the advantage of the other, which would render the special economic provisions recommended by the League unnecessary.’

This would put conclusive pressure on both countries to accept, as each would justly fear that in case of refusal the whole of the industrial basis [basin ?] might be given to the other.

No delay need result, as the replies could well be given in a week or two; and in the meantime the Allies will have declared their intention to accept the League’s recommendations, which are known in the main already and might be published in full.

No. 348

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 597 Telegraphic [C 19769/92/18]

FOREIGN OFFICE, *October 17, 1921, 8.30 p.m.*

Oppeln telegram No. 372¹ (Proposed instructions to allied troops in Upper Silesia).

Situation is altogether changed by recommendation of Council of League of Nations that allied troops shall remain responsible for maintenance of order until mixed commission to be created by agreement between Poland and Germany is ready to function.² In these circumstances, and having regard to recent proclamation by Silesia Commission as reported in Sir H. Stuart's telegram, you should suggest to Ambassadors' conference adoption of procedure proposed in concluding sentence of that telegram.

Addressed to Paris No. 597.

Repeated to Oppeln No. 160.

¹ No. 339.

² See *League of Nations Minutes*, op. cit., p. 18.

No. 349

The Marquess Curzon of Kedleston to Sir H. Stuart (Oppeln)

No. 161 Telegraphic [C 19768/92/18]

FOREIGN OFFICE, *October 17, 1921, 9.30 p.m.*

Your telegram No. 373 (of October 14th).¹

All Plebiscite Commissions under the Treaty of Versailles have from the beginning been definitely placed under the controlling authority of the Ambassadors' Conference, to whom the allied Governments have delegated the necessary powers to supervise the execution of the treaty provisions. The Commission in Upper Silesia does not in this respect differ from those appointed in Schleswig, Allenstein and Marienwerder; whilst Rhineland High Commission was set up not under treaty of peace but under separate agreement of which the execution was not placed under the supervision of the Ambassadors' Conference, because under Article 2 of Rhineland Agreement the High Commission is expressly declared to be the supreme representative of the allied powers within the occupied territory.² It would therefore not do to impugn authority of Ambassadors' Conference over allied Commission at Oppeln. Nor would this serve any useful purpose: British representative in that conference, whose assent is necessary for any decision or instructions issuing from it, acts on directions of His Majesty's Government, so that you can always rely on Ambassadors' instructions not running counter to

¹ No. 340.

² The Rhineland Agreement of June 28, 1919, is printed in *B.F.S.P.*, vol. 112, pp. 219-24.

approved British policy. If, on the contrary, each Government could, on important questions of general policy, give separate instructions to its Commissioner, result might easily be highly unsatisfactory.

Copies to Paris by bag.

No. 350

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 598 Telegraphic: by bag [C 19776/92/18]

FOREIGN OFFICE, October 18, 1921

Upper Silesia.

Sir M. Cheetham's telegrams Nos. 754 and 757 (of October 15th and 16th).¹

I agree that procedure favoured by French Government is open to the serious objection that if either Germany or Poland refuse to give effect to the economic *régime* proposed, there is a danger that new frontier may be definitely established without the economic safeguards which form an integral part of League's recommendations. Poland might endeavour to profit by the occasion to escape the Mixed Commission; Germany might profit by it to escape the fixation of a frontier which she dislikes. On the other hand, while it is for the Allies under the treaty to fix the frontier, they have no legal power to impose upon Germany and Poland any such convention as that recommended by the League, and the plebiscite area must, under paragraph 6 of the annex to article 88 of the treaty, be evacuated both by the Plebiscite Commission and by the allied troops within one month after the formal notification of the frontier.

These conditions compel the allied Powers to deal with the situation thus created.

After full consideration the course that seems to His Majesty's Government the safest and best will be that the Conference of Ambassadors, having decided upon full acceptance of the recommendations of the Council of the League in their entirety, should defer making formal notification of the frontier at this moment, but should intimate to the Polish and German Governments their intention of doing so as soon as binding assurances have been received that the two Governments are ready to give effect to the League's economic recommendations. It would be well if both parties could be made to realise that the only result of an attempt to break down the decision of the League, by accepting, even though for different reasons, one part of it, while refusing or obstructing the other, will be to produce an irresistible demand for the reconsideration of the decision as a whole, which would be certain to operate to the disadvantage of the party shown to be the culprit.

Repeated to Oppeln No. 162, Berlin No. 235, and Warsaw No. 204.

¹ Nos. 341 and 342 respectively.

No. 351

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received October 19, 10.30 p.m.)

No. 772 *Telegraphic* [C 20000/92/18]

Urgent

PARIS, October 19, 1921, 8.30 p.m.

The Conference of Ambassadors held two prolonged meetings today to consider the procedure to be adopted for putting into effect the recommendations of League of Nations with regard to Upper Silesia.

Viscount Ishii submitted a draft decision which was adopted as a basis on which to work. After considerable discussion during which I succeeded in inducing Conference to accept views as contained in your telegram No. 598¹ the text of a decision to be taken by Conference of Ambassadors was agreed upon. This decision is to be communicated to German and Polish Governments with a covering letter, text of which was also settled. Copy of decision and of covering letter of Delegates enclosed in my despatch No. 2884 which I am sending by bag tonight.²

The decision is to be signed by four Ambassadors of the Conference and is to be communicated with covering letter tomorrow to German and Polish Ministers in Paris. It is also being telegraphed direct to Upper Silesian Commission.

It was decided that League of Nation's [*sic*] recommendations, the Conference of Ambassadors' decision and covering letter to Polish and German Legations should not be published until Friday morning.³

I am also glad to report the Conference agreed to drop proposed instructions relating to employment of troops in Upper Silesia, and accepted the suggestion contained in your telegram No. 597⁴ that it should be left to the Commission to ask for any instructions, if needed.

¹ No. 350.

² See No. 352 below.

³ i.e. October 21.

⁴ No. 348.

No. 352

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received October 20)

No. 2884 [C 20029/92/18]*

Confidential

PARIS, October 19, 1921

Lord Hardinge of Penshurst presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copies of a decision of the Conference of Ambassadors, dated the 19th October, 1921, and of a draft letter to the German and Polish delegations, respecting Upper Silesia.

Décision au sujet de la Haute-Silésie

L'Empire britannique, la France, l'Italie et le Japon, signataires avec les Etats-Unis d'Amérique comme principales Puissances alliées et associées du Traité de Paix de Versailles;

Considérant qu'aux termes de l'article 88, dernier alinéa, du Traité de Paix de Versailles, il leur appartient de fixer dans la partie de la Haute-Silésie soumise au plébiscite la ligne-frontière entre l'Allemagne et la Pologne en conséquence dudit plébiscite;

Considérant que, le 20 mars 1921, il a été procédé au vote dans les conditions prévues par l'annexe dudit article;

Considérant qu'en présence des résultats du vote déterminé par communes, ainsi que de la situation géographique et économique des localités, la cession des territoires dont il s'agit fait naître certaines questions qu'il importe de régler;

Après avoir pris l'avis du Conseil de la Société des Nations,

Décident:

1. La frontière entre l'Allemagne et la Pologne dans la partie de la Haute-Silésie décrite à l'article 88 du Traité de Paix de Versailles est définie comme il suit:

(Description géographique.)¹

La Commission de Délimitation prévue par l'article 87 du Traité de Versailles tracera la frontière sur place. Elle commencera immédiatement ses travaux.

2. Les Gouvernements allemand et polonais concluront dans le plus bref délai possible et par application de l'article 92, dernier alinéa, du Traité de Paix, une convention à l'effet de consacrer les dispositions suivantes:

(Régime économique et des minorités du territoire partagé.)²

Afin de veiller à l'exécution de ces mesures, il sera institué:

1. Une Commission mixte de Haute-Silésie, composée de deux Allemands et de deux Polonais originaires de Haute-Silésie et d'un président d'une autre nationalité, désigné par le Conseil de la Société des Nations;

2. Un Tribunal arbitral chargé de statuer sur tous différends d'ordre privé que pourrait soulever l'application de la convention visée ci-dessus. Ce tribunal sera composé d'un arbitre désigné par le Gouvernement allemand et d'un arbitre désigné par le Gouvernement polonais. Le Conseil de la Société des Nations sera prié de désigner le président de ce tribunal.

Tous différends relatifs à l'exécution et à l'interprétation de la convention devront être réglés conformément aux stipulations de cette convention.

¹ The League of Nations Council's recommendation regarding the frontier was here omitted; it is printed in *League of Nations Minutes*, op. cit., p. 19.

² The League of Nations Council's recommendations regarding the transitional measures of an economic nature, and the rights of nationality and domicile and protection of minorities were here omitted; they are printed in *League of Nations Minutes*, op. cit., pp. 20-24.

3. Le régime conventionnel prévu à l'article 2 ci-dessus sera négocié par un plénipotentiaire allemand et un plénipotentiaire polonais, sous la présidence d'une personne désignée par le Conseil de la Société des Nations et qui départagera les parties en cas de désaccord entre elles.

Les Gouvernements allemand et polonais sont invités à faire connaître aux principales Puissances alliées, dans les huit jours à dater de la présente décision, les noms des plénipotentiaires que chacun d'eux désigne pour négocier, dans les conditions indiquées à l'alinéa précédent, la convention relative aux questions économiques et à la protection des minorités, qui devra être établie sur les bases fixées à l'article 2.

Dès que les plénipotentiaires auront été désignés, il appartiendra au président de les convoquer en tel lieu qu'il jugera convenable.

4. Aussitôt les principales Puissances alliées jugeront que la Commission de Délimitation aura réalisé sur le terrain une fixation suffisamment précise de la frontière décrite à l'article 1^{er} et que les négociations prévues à l'article 3 auront abouti à l'adoption d'un régime conventionnel conformément à l'article 2, la Commission de Plébiscite fera aux Gouvernements allemand et polonais la notification prévue par les alinéas 1 et 2 du § 6 de l'annexe à l'article 88.

5. Les Gouvernements allemand et polonais sont invités à désigner dans les six jours leurs délégués à la Commission mixte prévue à l'article 2, § 1. La Commission mixte sera immédiatement constituée pour prêter son concours à la Commission interalliée pour l'adoption des mesures destinées à préparer le passage de l'état actuel au régime transitoire.

6. La présente décision sera officiellement communiquée à la Commission de Plébiscite ainsi qu'aux Gouvernements allemand et polonais.

ENCLOSURE 2 IN NO. 352

Projet de Lettre d'Envoi

M. le Président de la Délégation allemande (polonaise),

J'ai l'honneur de vous communiquer ci-joint le texte de la décision prise à la date du 20 octobre par la Conférence des Ambassadeurs, agissant au nom et par mandat spécial de l'Empire britannique, de la France, de l'Italie et du Japon, signataires avec les États-Unis d'Amérique, comme principales Puissances alliées et associées, du Traité de Paix de Versailles.

Lesdites Puissances ont, en application du Traité de Paix, recherché une solution conforme au vœu des populations tel qu'il s'est exprimé par communes dans le plébiscite et tenant compte de la situation géographique et économique des localités. Elles ont été amenées ainsi, après avoir pris l'avis du Conseil de la Société des Nations, à diviser la région industrielle de la Haute-Silésie. En raison de la disposition géographique des populations et du mélange des éléments ethniques, toute division de cette région devait avoir pour conséquence l'obligation de laisser, des deux côtés de la ligne-frontière, des minorités assez considérables et de disjoindre des intérêts importants.

Dans ces conditions, la décision prise comporte des mesures destinées à garantir, dans l'intérêt commun, la continuité de la vie économique en Haute-Silésie ainsi que la protection des minorités.

Le Gouvernement allemand (polonais) doit d'ailleurs se rendre clairement compte que les Puissances alliées considèrent que leur décision constitue un tout dont elles sont fermement résolues à faire observer les différentes parties.

Au cas où les Gouvernements intéressés ou l'un d'entre eux se refuseraient pour une raison quelconque à accepter tout ou partie de la décision ou témoigneraient par leur attitude qu'ils s'efforcent de faire obstacle à sa loyale exécution, les Gouvernements alliés, considérant dans l'intérêt de la paix générale la nécessité de voir établi le plus rapidement possible le régime prévu, se réservent de prendre telles mesures qu'ils jugeront opportunes pour assurer le plein effet de leur décision.³

³ In his telegram No. 798 of October 25, not printed, Lord Hardinge reported: 'Polish Minister in Paris has informed Conference of Ambassadors that his Government accept decision of Conference with regard to Upper Silesia and that they have appointed M. Leon Plucinski to negotiate the economic convention between Poland and Germany.' M. Plucinski was later replaced by M. Olszowski, head of the legal department of the Polish Ministry of Foreign Affairs. For the reply of the German Government, see No. 358 below.

No. 353

The Marquess Curzon of Kedleston to Lord D'Abernon (Berlin)

No. 239 Telegraphic [C 19946/92/18]

FOREIGN OFFICE, *October 20, 1921, 10 p.m.*

Your despatch No. 1232 (of October 13th: Upper Silesia).¹

You can only remind Dr. Stresemann that the Prime Minister in common with the other allied Governments represented on the Supreme Council, undertook in August to accept the recommendation of the Council of the League of Nations with regard to the settlement in Upper Silesia, and that, in concert with their Allies, His Majesty's Government are now engaged in considering the steps necessary for putting that recommendation into effect.

Is there not some danger in your being drawn into discussion about allied policy with Stresemann, who, although chairman of Foreign Affairs Committee of Reichstag is not a member of German Government?

¹ Not printed. This despatch enclosed a translation of a letter of October 11 from Dr. Stresemann proposing that there should be a referendum to decide 'with whom Upper Silesia should definitely remain, Poland or Germany'.

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received October 25)

No. 148 [C 20346/92/18]

OPPELN, October 21, 1921

My Lord,

I have the honour to acknowledge the receipt by the last bag of nine copies of the recommendation of the League of Nations concerning the delimitation of the frontier in Upper Silesia together with a map purporting to show the frontier lines finally proposed by the British and French Governments on August 11th and line of the League of Nations. . . .¹

The commission was in entire agreement with the view taken by His Majesty's Government, that the recommendation of the League of Nations must be treated as a whole, and it was much relieved when it received yesterday the telegram from the Conference of Ambassadors announcing that this view had been adopted by all the Allies.² The adoption by the German and Polish Governments of the economic measures recommended by the Council of the League of Nations for the period of transition will not only facilitate the task of transferring the administration, but will also prove highly advantageous to the people of Upper Silesia.

The decision regarding the frontier has undoubtedly provoked bitter disappointment among the Germans, and there have been rumours of an intention to resist the decision by force. According to a Bavarian report, which the French Government thought of sufficient importance to communicate to General Le Rond, a body of Orgesch troops with 500 machine guns and 15,000 rifles, which was preparing for a descent on the Tyrol, is to be diverted to Upper Silesia. A German newspaper published at Gleiwitz (the 'Ostdeutscher Herold') printed the article of which I enclose a French translation.³ The commission thought it was necessary to take prompt action for the prevention of such incitements, and has therefore suppressed the paper and closed the press in accordance with the intention announced in its proclamation, of which I sent Your Lordship a copy last week.⁴ With this exception, however, the attitude of the press has been fairly moderate. The gradual leaking out of the Geneva decision has not been without its advantages, for the people were already resigned to their fate before its official announcement.

The latest rumour is that both Polish and German inhabitants of Upper Silesia are united in a determination to proclaim an autonomous State. There is evidence that ex-insurgent Poles have been moving from the German districts towards the east, and especially to Lublinitz, but the movement is certainly not on a large scale, and is much more likely to be due to the fear of German oppression than to any intention to organise a fresh Polish out-

¹ This map is not reproduced. A paragraph relating to it is here omitted.

² See No. 351.

³ Not printed.

⁴ See No. 339.

break. A fair number of arms and munitions—in all cases belonging to sympathisers with Germany—have been seized during the last ten days, but there is little doubt that large quantities still remain concealed. On the whole, although the situation is one which must necessarily cause much anxiety, I do not consider that there is any great likelihood of serious armed resistance to the decision of the Allied Powers, provided there is no appreciable delay in giving effect to it, but there will no doubt be isolated incidents of collisions between Germans and Poles and Germans and members of the Allied forces, and it is probable that there will be strikes, and possibly even a general strike, as a protest against the surrender of so much of the industrial area to Poland.

I enclose, for Your Lordship's information, a note showing the effect of the decision in terms of population and area, together with some information regarding the proportion of mines and factories assigned to each country.³ I also enclose a copy of a circular memorandum which I have issued to all the members of my staff.⁵ I have communicated a copy of this to my colleagues, who have issued a similar memorandum.

I have, &c.

HAROLD STUART

⁵ Not printed. This memorandum stated: 'Sir Harold expects that all British officials will not only themselves loyally accept the decision but that they will, if opportunity offers, advise the inhabitants of Upper Silesia, of both parties, to recognise it as being the independent conclusion reached after a careful and exhaustive examination of the facts by a body whose sense of justice cannot be doubted, and it therefore has a much stronger claim to be respected than any opinion which is swayed by political bias or private interest.'

No. 355

*Lord Hardinge (Paris) to Lord D'Abernon (Berlin) and
Mr. Max Muller (Warsaw)*

No. 28¹ Telegraphic [C 20320/92/18]

PARIS, October 24, 1921

Telegram from Lord Hardinge to His Majesty's Representatives at Berlin (No. 28) and Warsaw (No. 19).

In view of the calm prevailing in Upper Silesia after the notification made to Germany and Poland, the Council of Ambassadors decided today, on the suggestion of the Upper Silesian Plebiscite Commission, to invite the Allied Representatives at Berlin and Warsaw to point out to the Governments to which they are accredited the importance of establishing a close control in their territory and especially in the neighbourhood of the Upper Silesian frontier, so as to prevent the incursion into Upper Silesia of persons likely to disturb the peace, and also to impress upon the said Governments

¹ No. 28 to Berlin, No. 19 to Warsaw. This telegram was also repeated as No. 793 to the Foreign Office, where it was received on October 25.

the responsibility which they would incur if disorders were fomented in Upper Silesia by persons coming from their territory.

I request that you will cooperate with your French and Italian colleagues in making joint representations in this sense to the Government to which you are accredited.

No. 356

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received October 28, 4 p.m.)

No. 376 Telegraphic [C 20643/92/18]

OPPELN, October 27, 1921, 7.40 p.m.

The Paris instructions to the Commission¹ virtually require that, until the Allied Powers consider . . .² has laid down frontier on ground with sufficient precision, Commission shall abstain from notifying German and Polish Governments that they are free to take over administration of territory assigned to them. It is not stated whether the Powers will act on a report from the Boundary Commission or on one from the Plebiscite Commission. If the former I gather it may be at least two months and longer before sufficient precision is deemed to have been reached and occupation of Upper Silesia will last till February. This prolonged delay is objectionable, because it will continue state of tension, postpone full resumption of industrial life and increase heavy financial burden of occupation including much additional expenditure for winter arrangements for the troops. New frontier follows boundaries of communes which are known and in my opinion it would be quite safe to notify German and Polish Governments as soon as Convention is made.

Assuming that this Convention will be concluded by middle of November, Commission should be able to withdraw early in December. I fear le Rond's personal wish is to remain here as long as possible and I am not sure that de Marinis has not the same wish, but I think I could persuade [*sic*] him to agree with me. Personally I find it very difficult to agree to any long delay, for frontier has already been fixed by Powers and the Treaty requires that as soon as this is done Commission shall notify German and Polish Governments. I ask therefore that Plebiscite Commission should be left to decide when it will notify the two Governments, on the understanding that it will not do so until Convention is concluded, or alternatively, that as soon as Convention is made Powers should inform two Governments that frontier has been laid down on ground with sufficient precision.

Repeated to Berlin and Warsaw.

¹ See Nos. 348 and 351.

² The text is here uncertain.

No. 357

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received October 28, 11.30 a.m.)

No. 505 Telegraphic [C 20592/416/18]

BERLIN, October 27, 1921, 8 p.m.

I saw Minister for Foreign Affairs yesterday after his resignation.¹

He was very dejected and spoke under stress of emotion.

He said: 'England by her indifference or simplicity at Geneva has rendered a very bad service to Europe as well as to Germany and to herself. No greater blunder has been made in history except that of Germany in 1914. We then thought the Serbian business was merely a local affair, you think the same of Upper Silesia but you are wrong. Fall of the late Cabinet which as I . . . (? repeatedly) . . .² follow England's guidance to an unprecedented extent will lead to a succession of ministerial crises. This will enable France to gain complete authority and reduce Germany to a condition of dependence. If England had only obtained a fair solution at Geneva or had insisted in [? on] the withdrawal of French troops from the Rhine ports³ the late Government would not have fallen. Now I fear policy of better relations with England for which I have worked so hard and to which I am sacrificed will be impossible for a long time to come. Surely the support of 60,000,000 people was something and could have made a powerful factor in the European restoration you desire. Personally I believe England was negligent at Geneva: most people here are convinced that she deliberately abandoned the German case which she had defended so ably and eloquently at Paris.'

Although Minister for Foreign Affairs' threnody is very exaggerated it may not be without political significance.

¹ See No. 725, below.

² The text is here uncertain.

³ See No. 203, n. 1.

No. 358

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received October 28, 9.30 a.m.)

No. 810 Telegraphic [20528/92/18]

PARIS, October 27, 1921, 11.30 p.m.

The Conference of Ambassadors had before it this morning the reply of German Government to notification of Upper Silesian decision. In this note, copy of which is being sent [in] my despatch No. 2959,¹ this decision is condemned as being a violation of the Treaty and an infringement of the rights of Germany. The German Government add that in view of threats contained in covering letter they feel compelled to appoint, for negotiation

¹ Of October 28, not printed.

of economic agreement, and for Mixed Commission, delegates whose names will be communicated shortly.

The French were anxious to take up the challenge but I urged the futility and danger of involving ourselves in a discussion on this subject. A reply is accordingly being drafted which will, after acknowledging receipt of German note, merely state that Conference cannot accept statements made by German Government.² It is to be made clear in this reply that by appointing delegates it is understood that German Government accept all the conditions and stipulations laid down in decision.

Repeated to Berlin and Oppeln.

² This reply was also enclosed in Paris despatch No. 2959.

No. 359

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 633 Telegraphic [C 20697/92/18]

FOREIGN OFFICE, *October 29, 1921, 9.50 a.m.*

My telegram No. 604 (of October 22nd.)¹

German Ambassador here has represented² that, in view of present state of public opinion in Germany, German Government would prefer chairman of Mixed Commission to be nominated in accordance with procedure suggested in second paragraph of Berlin telegram No. 500 (of October 25th.)³: see telegram sections of October 27th.⁴

League's recommendation on this point is not categorical, but optional, and although Council have been asked to nominate the President and have indeed selected Mr. Ador, there seems no reason why matter should not be reconsidered.

German Government are understood to be making similar representation at Paris, and Your Excellency is authorized to agree to acceptance of German proposal by Ambassadors' Conference.

Repeated to Berlin, No. 242.

¹ Not printed. In this telegram Lord Curzon had informed Lord Hardinge that Mr. Balfour concurred in the proposed nomination of M. Ador as chairman of the Mixed Commission. (Cf. No. 346.)

² In an interview with Lord Curzon on October 27.

³ Not printed. In this telegram Lord D'Abernon had reported that the German Minister for Foreign Affairs 'urges selection of president of mixed commission should be left for agreement between Germany and Poland. In default of agreement between them that president should be (? named) by United States. The view taken here is that League of Nations in this controversy is merely a catspaw of France so that any appointment by them would be regarded as biased. Apprehension has been increased by the rumours in press that League of Nations proposes to appoint Monsieur Ador who is considered notoriously anti-German.'

⁴ i.e. selections of recent telegrams circulated confidentially to H.M. Representatives abroad.

No. 360

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received October 30, 5 p.m.)

No. 829 Telegraphic [C 20668/92/18]

Your telegram No. 633.¹

PARIS, October 30, 1921, 3.55 p.m.

It would seem dangerous at this stage to begin to modify terms of Upper Silesian decision, as approved by Conference of Ambassadors, since this would open the door to further request for amendments from both sides. Moreover I much doubt whether I could obtain consent of French to modification proposed. I will ascertain their views tomorrow.

The objections of German Government to the present procedure are evidently due to personality of Monsieur Ador whom they, with some reason, consider . . .² (? being) pro-Entente. If the League would appoint another President, the German Government would probably withdraw their present objections. Is it too late to get this done?

I am assuming that mixed commission referred to in Your Lordship's telegram under reply and Lord D'Abernon's telegram No. 500,³ is the special conference which is to negotiate economic convention and not the permanent mixed commission which is to supervise working of economic arrangements. I do not know that League of Nations have as yet selected a chairman for the latter commission.

¹ No. 359.

² The text is here uncertain.

³ See No. 359, n. 3.

No. 361

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 637 Telegraphic [C 20643/92/18]

FOREIGN OFFICE, October 31, 1921, 4.30 p.m.

Oppeln telegram No. 376 (of October 27th. Upper Silesia).¹

Essential thing is to secure the conclusion of the convention before the formal notification of the frontier under paragraph 6 of the annex to article 88 imposes a time limit upon the continuance of the Plebiscite Commission and of the allied occupation.

Once the convention is concluded, there would seem to be no reason why the Allied Powers, acting under article 4 of the Conference decision of October 19th² and in accordance with the precedents established by previous transfers of German territory to Poland,³ should not immediately instruct the Plebiscite Commission to notify the frontier and prepare to evacuate.

It might be well at once to invite the Conference to issue a preliminary warning to the Boundary Commission that this procedure will be followed.

Repeated to Oppeln, No. 165.

¹ No. 356.

² See No. 352, enclosure 1.

³ For the transfer of Allenstein and Marienwerder, see Vol. X, No. 621.

No. 362

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received November 1)

No. 835 Telegraphic: by bag [C 20859/92/18]

PARIS, October 31, 1921

Following sent to Oppeln to-day No. 55.

Your telegram No. 376 to Foreign Office.¹

The whole object of the Conference of Ambassadors in postponing the transfer of territory to German and Polish authorities was to guard against the transfer taking place before the conclusion of the Polono-German Economic Convention. The stipulation regarding the fixing of the frontier on the ground was merely put in as a makeweight and because it was argued that so long as the exact line of the frontier was not known it might be difficult to settle various details in the Economic Convention.

As soon as the Convention is, in the opinion of the Conference of Ambassadors satisfactorily concluded, I will propose to the Conference of Ambassadors that the Boundary Commission should be deemed to have fixed the frontier on the ground with sufficient precision and that the Plebiscite Commission should be authorised to proceed with the transfer of territory. There is no reason to suppose that by the time the Convention is thus concluded, the fixing of the frontier will have made so little progress as to justify Lerond in insisting on a further delay in the transfer of territory. A telegram just received from General Dupont, Chairman of the Polono-German Boundary Commission, estimates that this Commission can fix the frontier 'with sufficient precision' in a few days,² and I understand that a sub-Committee of the Commission is beginning to work almost at once.

Repeated to Foreign Office.

¹ No. 356.

² A copy of this telegram, dated October 26, was enclosed in Lord Hardinge's despatch No. 2992 of October 31, not printed.

No. 363

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received November 1)

No. 838 Telegraphic: by bag [C 20861/92/18]

PARIS, October 31, 1921

As anticipated in my telegram No. 829,¹ the French are strongly averse from [*sic*] any modification in terms of the Upper Silesian decision, both for the reasons stated in the first sentence of my telegram and because they think this particular modification would be a slight on the League.

¹ No. 360.

They had also learnt of the objection of the German Government to the personality of M. Ador which however they considered unfounded. They point out that M. Ador, both in the Assembly of the League and in the Franco-Swiss negotiations regarding the Free Zones,² has frequently found himself opposed to French policy and cannot therefore be accused of exaggerated French sympathies. As a Calvinist, moreover, he is unlikely to be prejudiced in favour of the Poles.

I understand that M. Ador's name has already been accepted by at least all the Allied representatives on the Council of the League. I am afraid therefore that it would be difficult to make a change now except by common consent, and it seems unlikely that the French would give theirs.

The German Ambassador here has made to M. Cambon, as President of the Conference of Ambassadors, a *démarche*³ similar to that made to Your Lordship by the German representative in London.⁴ This *démarche* will be considered on Wednesday next,⁵ and I should therefore be glad of urgent instructions.

² For earlier references to Franco-Swiss negotiations on this question, see Vol. V, No. 221.

³ A copy of a memorandum of October 29, of M. Cambon's conversation with the German Ambassador, was enclosed in Lord Hardinge's despatch No. 3014 of November 2, not printed.

⁴ See No. 359.

⁵ i.e. November 2.

No. 364

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received November 4)

No. 848 Telegraphic: by bag [C 21044/92/18]

PARIS, November 3, 1921

As Your Lordship will have learnt from my telegram No. 841 of the 2nd instant,¹ section 7, the Council of the League has definitely invited Monsieur Ador to preside over the negotiations for the conclusion of the German-Polish Convention and it would not therefore seem possible for the Council of the League to go back on this nomination. But so far as I am aware, the Council has made no nomination as yet in respect of the President of the Mixed Commission and is in no way bound to appoint Monsieur Ador to this post.

I gather that Your Lordship agrees that it is impracticable to take the nomination for the President of the Mixed Commission out of the hands of the Council of the League; and indeed whatever may have been the optional character of the League's original proposal, the Conference of Ambassadors in communicating it to the interested parties divested it of any optional form and stated definitely that the President of the Mixed Commission would be appointed by the League of Nations (see my despatch No. 2884 of October 9th [19th]).²

¹ Of November 2, not printed. This telegram reported proceedings of the Conference of Ambassadors.

² No. 352.

In order to obtain at this stage the adoption of the procedure now recommended by Your Lordship, I would suggest that it should be proposed forthwith by the British delegate to the Council of the League, since the latter can obviously adopt any system of procedure which it thinks fit for the purpose of arriving at a suitable selection, so long as it reserves to itself the final nomination.

On the other hand, the matter appears to have passed out of the hands of the Conference of Ambassadors who in any case could hardly dictate to the League of Nations the manner in which they should arrive at the nomination.

No. 365

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received November 11, 8.30 a.m.)

No. 378 Telegraphic¹ [C 21562/92/18]

OPPELN, November 10, 1921, 8 p.m.

It is announced in this morning's newspapers that German Government contemplates sending delegates to plebiscite area to make enquiries in preparation for economic negotiations. Inter-allied Commission is unanimously of the opinion that enquiries of such a nature undertaken at the present moment in Upper Silesia by delegates of either of two interested Powers would be liable to have unfortunate consequences from point of view of maintenance of law and order.

It therefore considers that (? these) preliminary conversations might take place in towns situated in German or Polish territory in the neighbourhood of plebiscite area to which Governments of Berlin and Warsaw might convoke such persons from Upper Silesia as they might wish to interrogate.

I should be grateful if you would be so good as to make representations in this sense to Government to which you are accredited in concert with your French and Italian colleagues to whom my French and Italian colleagues are addressing identic communications.

¹ This telegram was addressed to Berlin and Warsaw and repeated as No. 378 to the Foreign Office.

No. 366

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received November 12, 11.10 p.m.)

No. 380 Telegraphic [C 21620/93/18]

OPPELN, November 12, 1921, 7.45 p.m.

The Administrative and Plebiscite Commission unanimously decided today that each Commissioner should address the following telegram to his Government.

Begins.

The Inter-Allied Commission considers it to be its duty to draw attention to grave drawbacks which might be caused by delay in giving effect to the recommendations of League of Nations and is of opinion that it is desirable that convocation and operations of Commission for drawing up of Economic Convention should be expedited as much as possible.

The decision regarding frontier has been received with calmness and if the necessary measures be taken quickly, Inter-Allied Commission believes transfer of (? administration) can be effected without serious difficulty but delay for which there was no apparent justification would be misunderstood, and would be liable to cause suspicion and mistrust. There are parts of territory in which Commission's authority is far from complete and both on the East and on the West there are small bodies of violent men whose influence and activity would be likely to increase if impression gained ground that there was any uncertainty about execution of decision of Powers. Moreover heavy depreciation of the mark is bound to lead to economic difficulties, the adjustment of which will be difficult under a *régime* which is approaching the end. Finally Commission deprecates any additional heavy expenses of an occupation which circumstances have prolonged beyond all (? expectations).

Inter-Allied Commission is further of opinion that it will not be possible to accomplish transfer of territory to the Powers to which it has been allotted without a danger of serious disturbances unless frontier has been previously fixed in detail in industrial area and on borders of districts of Ratibor and Rybnik as also in neighbourhood of town of Guttentag, at which points numerous sources of friction exist. It is therefore desirable that Boundary Sub-Commission should proceed with its work, guided by these considerations, in order that delay on its part may be avoided at time when Economic Convention has been concluded. Administrative Commission has accordingly addressed a communication to this effect to (? President of) Boundary Sub-Commission.

No. 367

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received November 17, 8.30 a.m.)

No. 878 Telegram: by bag [Confidential/General/199/4]

PARIS, November 16, 1921

The Conference of Ambassadors met today under the chairmanship of M. Jules Cambon and considered the following questions: . . .¹

2. The Conference considered the report of the Upper Silesian Plebiscite Commission, as given in Sir H. Stuart's telegram No. 380.² Viscount Ishii took the opportunity of explaining that M. Ador in declining the post of

¹ The section omitted referred to other matters.

² No. 366.

chairman to preside over the negotiations of the Economic Convention,³ had suggested in his place Mr. Callonder [Calonder] a former President of the Swiss Confederation.⁴ He understood that Mr. Callonder was prepared to accept, and a formal invitation had been sent to him. It was to be hoped, therefore, that the negotiations would be able to commence shortly. I asked whether the Council of the League had done anything yet as regards the appointment of a President of the Mixed Commission. Viscount Ishii replied that he hoped that the Council would deal with this question at their meeting this afternoon, as they had only been waiting for the German and Polish Governments to appoint their delegates.

As regards the last paragraph of Sir H. Stuart's telegram No. 380, I would point out that the Conference has already issued instructions to the Boundary Commission (see my telegram No. 841,⁵ section 5) which will meet the requirements of the Plebiscite Commission.

The Italian Ambassador communicated a report from General de Marinis to the effect that the Plebiscite Commission considered as desirable that the allied Governments should approach the German and Polish Governments with a view to the liberation of Upper Silesians who were still detained in either Germany or Poland. The Plebiscite Commission proposed further that they should be authorised to send a delegation to the concentration camps in Germany and Poland where these persons are detained. Although I have received no communication from Your Lordship nor from Sir H. Stuart in the above sense, I saw no reason to object to the Italian Ambassador's proposal, and the Conference agreed therefore that the allied Governments should be recommended to instruct their representatives in Berlin and Warsaw in the above sense. Copy of General de Marinis' report is enclosed in my despatch No. 3170.⁶ I am informing Sir H. Stuart. . . .⁷

³ M. Ador's refusal, 'for personal reasons', was reported in a telegram, No. C 438, of November 8, from the Secretary-General of the League of Nations to the Secretary of the Cabinet, transmitted to the Foreign Office on November 9. ⁴ Cf. No. 303, n. 3.

⁵ Of November 2, not printed. This telegram reported proceedings of the Conference of Ambassadors.

⁶ Of November 16, not printed.

⁷ The sections omitted referred to other matters.

No. 368

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received November 22, 10 p.m.)

No. 528 Telegraphic [C 22177/92/18]

BERLIN, November 22, 1921, 8.20 p.m.

Following sent to Oppeln 22nd November No. 59.

I communicated to Secretary of State for Foreign Affairs to-day the substance of your telegram No. 381 to the Foreign Office.¹

¹ Of November 21, not printed. In it General Heneker, who was in charge at Oppeln after November 18, when Sir H. Stuart went on leave, wrote: 'Might I suggest that represen-

He promised to make representations at once in order that pressure should be (? brought) on (? local) German leaders to use all their influence to prevent outbreaks of unruly elements.

Repeated to Foreign Office No. 528.

tations be made at Berlin to the effect that pressure be brought to bear on local German leaders to use all their influence to prevent outbreaks of unruly elements . . . I am considerably apprehensive, for feeling runs high against the French and, to some extent, against the Italians. We must of course support them and, should shooting begin, it is difficult to say where it would end.'

No. 369

Memorandum by Sir H. Stuart on the delay in giving effect to the decision on Upper Silesia

[C 22712/92/18]

FOREIGN OFFICE, December 1, 1921

The allied occupation of Upper Silesia began in January, 1920.

The plebiscite was taken on March 20, 1921.

The report on the results of the plebiscite was made by the Inter-allied Commission to the Conference of Ambassadors towards the end of April, 1921.

The insurrection of the Polish inhabitants broke out on May 2, 1921, and was not completely liquidated until July 6.

The Supreme Council met in Paris on August 8, 1921, to consider the result of the plebiscite and to decide on the frontier, but, owing to divergence of opinion, the question was referred to the Council of the League of Nations on August 11.

The Council of the League of Nations made its recommendations to the Supreme Council on October 12.

The principal allied Powers communicated their decision adopting the recommendation of the League of Nations to the German and Polish Governments on October 19.

The German and Polish Governments announced their acceptance of the recommendation to draw up an economic convention on October 27 and October 25 respectively.¹ This was duly communicated to the Council of the League of Nations, and on November 9 that body enquired whether M. Calonder would be acceptable as the chairman of the conference to negotiate the convention. An affirmative reply was sent on November 14.²

On November 12 the Upper Silesia Inter-allied Commission decided that each Commissioner should telegraph to his Government, drawing their attention to the grave drawbacks caused by the delay in giving effect to the recommendations of the League of Nations.³ The Commission pointed out

¹ See Nos. 358 and 352, n. 3, respectively.

² See No. 367.

³ See No. 366.

that the delay, for which there was no apparent justification, would be misunderstood and be likely to cause suspicion and distrust. It added that the Commission's authority in the plebiscite territory is far from complete, that the recent heavy depreciation of the mark is bound to produce economic difficulties, and that it deprecated any addition to the heavy expenses of an occupation already prolonged beyond all expectation.

Moreover, the Powers have in fact fixed the frontier of Germany in Upper Silesia, and, under a strict interpretation of the annex to article 88 of the treaty, the Inter-allied Commission should forthwith notify the German and Polish Governments that they are free to take over the administration of the portions of the territory assigned to them. The Commission has, however, been instructed not to make this notification until the economic convention is concluded. The right of the Powers to give such an instruction is very doubtful, and it is undesirable that this doubtful situation should continue for any long time.

I am convinced by the action of General Lerond that the French desire to prolong the occupation, and I think that this is due to a wish to keep French troops on the eastern flank of Germany to be used to put pressure on Germany, if the need arises, in conjunction with the payment of reparations. Unfortunately it seems to be probable that this policy of delay will be successful. M. Calonder is proceeding very leisurely with the business of negotiating the convention. The plenipotentiaries have met, but they have delegated the discussion of details to sub-committees, which are not to finish their work until February 1. The Conference of Ambassadors has urged on M. Calonder the importance of the sub-committees completing their work as quickly as possible. I suggest that Mr. Fisher should be asked to move the Council of the League to bring similar pressure to bear on M. Calonder and urge him to secure the conclusion of the convention by the end of January at latest, so that the withdrawal of the Inter-allied Commission and the allied troops may be completed by the end of February.⁴

⁴ In a minute dated December 3, and initialed by Lord Curzon, Sir E. Crowe agreed with this proposal. Sir E. Drummond (Secretary-General of the League) subsequently pointed out in a letter of December 9 to Mr. Tufton (seconded to the Cabinet Secretariat to take charge of the League of Nations Branch) transmitted to the Foreign Office on December 12, that the duties of the League with regard to Upper Silesia ended with the appointment of M. Calonder. He himself had no wish to act as an intermediary and suggested that the Foreign Office should communicate with M. Calonder direct. In a minute of December 13, which was initialed by Sir E. Crowe and Lord Curzon, Mr. Waterlow commented: 'We must remember that it is most undesirable that we should seem to desire to exert an influence on negotiations which are to be conducted freely between Polish and German plenipotentiaries under M. Callonder's [*sic*] presidency. The danger is that any such action might lead the Poles to believe that we were supporting the Germans, with the result that they would appeal on their side for French help and that we should be involved in the old controversy again. Meanwhile I understand that the negotiations are proceeding smoothly.'

Lord Hardinge (Paris) to Earl Curzon (Received December 23, 8.30 a.m.)
No. 963 Telegraphic: by bag [Confidential/General/199/4]

PARIS, December 21, 1921

The conference of ambassadors met this morning under the chairmanship of Monsieur Jules Cambon and considered the following questions. The Belgian ambassador also attended. . . .¹

8. The conference considered a telegram from the Upper Silesian plebiscite commission, reported in General Heneker's telegram No. 394,² calling attention to the fact that the boundary sub-committee would have completed its work before the economic negotiations could be concluded. It is highly desirable that the completion of the work of these bodies should coincide, and as Your Lordship rightly points out in your telegram No. 721,³ it is for this reason that the boundary committee was told to '*marcher de pair*' with Mr. Calonder's commission. Since the despatch of your telegram No. 721 Your Lordship will have received my despatch No. 3497⁴ enclosing Mr. Calonder's letter explaining the slow progress of these economic negotiations. As Mr. Calonder fully realises the need for a quick decision, the conference did not think that they could approach him again on the subject. On the other hand they decided to inform the boundary sub-committee that it should not complete its work before the conclusion of the economic negotiations, and that, with a view to regulating their procedure on these lines, both they and Mr. Calonder are to be asked to keep one another informed, and to work as far as possible in close co-operation.

As regards General Heneker's telegram No. 393,⁵ I would point out that General le Rond had nothing to do with the decision of the conference whereby the plebiscite commission were told to keep the boundary sub-committee informed as to the manner in which it was to regulate its work. These instructions were issued on the assumption that the plebiscite commission might act as an intermediary between Mr. Calonder's commission and the boundary sub-committee. By the present arrangement the plebiscite commission will be eliminated altogether. . . .¹

¹ The sections omitted referred to other matters.

² Of December 17, not printed.

³ Of December 17, not printed.

⁴ Of December 16, not printed. M. Calonder's letter was dated December 4.

⁵ Of December 15, not printed.

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received January 19)

No. 203 [C 845/123/18]

OPPELN, January 12, 1922

My Lord,

I have had some interesting conversation with M. Calonder, who lunched with me yesterday. He informed me that the negotiations between the Germans and Poles for the Economic Convention were proceeding fairly well, and that he found, especially among the German and Polish inhabitants of Upper Silesia, more goodwill and desire for mutual accommodation than he had anticipated. He told me that if the Germans and Poles reached agreement on any point he was disposed to accept their conclusions, even though it was not entirely in accordance with the recommendations of the Council of the League of Nations, and would dissent from it only if he was clearly satisfied that it was contrary to the interests of the inhabitants of Upper Silesia. I understood that a case in point was that of the railway administration, in respect of which the Germans and Poles prefer a solution which differs in some respects from those recommendations.

M. Calonder informed me that he hoped to leave Upper Silesia for Geneva on the 15th instant. I suggested that it might expedite matters if he and the two plenipotentiaries held their sittings in Upper Silesia instead of making the long journey to Geneva, but he replied that he thought the atmosphere of Geneva was more favourable for securing agreement. He hopes that the convention will be concluded by the 15th February at the latest. If all went well he thought that the convention might be settled at an earlier date. He proposes to report the result to the Supreme Council, or if that body is not in session to the Conference of Ambassadors. A Polish deputation which waited on M. Calonder recently pressed for an early decision in order that Upper Silesia might be enabled to resume its normal economic life. The German population is equally anxious to see the last of the occupation, and I am satisfied that M. Calonder fully appreciates the importance of concluding the convention without delay.

Herr Schiffer,¹ whom I saw to-day, told me that the German and Polish plenipotentiaries and their staffs will remain in Upper Silesia for some time longer, as the discussion of the various matters at issue can be carried on more conveniently here where detailed information can be obtained easily and promptly. He hopes that most of the outstanding points will be settled before the plenipotentiaries move to Geneva, and, like M. Calonder, he gave the 15th February as the date by which the convention should be concluded.

M. van Hamel,² of the secretariat of the League of Nations, who is M. Calonder's legal adviser, suggested to me a few days ago that it would be

¹ The plenipotentiary appointed by the German Government to negotiate the economic convention between Poland and Germany.

² Director of the Legal Section of the Secretariat of the League of Nations.

necessary for the convention to be ratified by the German and Polish Parliaments, and he estimated that this would take at least three weeks. I mentioned this matter to Herr von Moltke, the German representative with the commission, who thought that ratification would probably be necessary, but added that he saw no reason why it should take three weeks, since the Treaty of Versailles had been ratified by the German Reichstag within a period of five or six days.

It would probably not be safe for the Allied Powers to fix the frontier until the convention has been ratified, but I agree with Herr von Moltke that ratification need not take three weeks, and in view of the serious consequences of prolonging the occupation, I venture to suggest that representations should be made at Berlin and Warsaw with the object of securing ratification within a week from the date on which the convention is concluded.³

It seems to me probable that the French Government desires to prolong the present occupation of Upper Silesia for the purpose of exercising pressure on Germany in connection with the payment of reparations. Your Lordship is aware that the German Government is convinced that France intends to propose a military occupation of the German part of Upper Silesia as a guarantee for these payments, and in my telegram No. 4 of the 11th January⁴ I informed your Lordship that M. Calonder, with whom I discussed this matter, had expressed the opinion that such an occupation would prove disastrous and fatal to the success of the Economic Convention which is now being negotiated. The occupation would also provoke such bitterness of feeling in German Upper Silesia as would certainly lead to many collisions between the population and the French troops, and might even produce armed resistance of a serious character. I do not know how far the fears of the German Government are well founded, but Herr von Moltke assured me that your Lordship had replied to the note from the German Embassy on this subject that His Majesty's Government were aware that the proposal had been made.⁵ The possibility of such an occupation has been openly discussed among French officers here, one of whom recently consulted the British head of his department upon the relative advantages of accepting a post which had been offered him in France or remaining in Upper Silesia for another five years.

A copy of this despatch is being sent to His Majesty's Ambassador at Paris and Berlin.

I have, &c.,
HAROLD STUART

³ In Foreign Office despatch No. 243 of January 25, Lord Hardinge was informed that 'it would seem well that the Ambassadors' Conference should take steps . . . before the actual date of conclusion' to ensure ratification for the Silesian economic convention by the German and Polish Governments 'if possible within a week of its conclusion'.

⁴ Not printed.

⁵ In his telegram No. 2 of January 14 Lord Curzon informed Sir H. Stuart: 'Statement of German representative is untrue. German Embassy have communicated this report tous as having reached German Government from 'thoroughly reliable Upper Silesian sources'. We have taken no notice of their communication, and have no means of assessing its value.'

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received January 19, 8.30 a.m.)

No. 29 Telegraphic: by bag [Confidential/General/199/4]

PARIS, January 18, 1922

The conference of ambassadors met this morning under the presidency of Monsieur Jules Cambon, the Belgian ambassador being present, and considered the following questions . . .¹

7. The conference had before it the note from the German embassy enclosed in my despatch No. 147 of today's date,² in which the German government formally hold the principal allied powers responsible for the damage caused in Upper Silesia during last year's insurrection, and therefore deny them the right to raise the necessary compensation out of local revenues. They further demand that the committee which the plebiscite commission has set up to investigate claims for compensation³ shall not confine itself to the insurrection of last summer, but shall also consider claims arising out of the previous insurrections.

The German arguments as regards the responsibility of the allied governments is [*sic*], I observe, supported by Sir H. Stuart in his despatch to Your Lordship No. 172 of the 17th November.² I also notice from your despatch No. 3245 of December 8th² that Your Lordship is in communication with the Treasury on this subject, from which I presume that I shall shortly receive the views of His Majesty's Government for communication to the conference of ambassadors. This being so I did not press for this question to be discussed at the conference this morning and it was merely decided to refer the German note to the plebiscite commission for their opinion. The French appeared inclined to argue that the whole question was one which could be settled by the mixed commission to be created in Upper Silesia in virtue of the Upper Silesian decision of October 19th 1921, thereby implying that the responsibility for the payment of compensation falls entirely upon the German and Polish governments and is no concern of the principal allied governments. If this view is to be adopted in contradiction to that of the German government and of that put forward by Sir H. Stuart in his above mentioned despatch, I would suggest that the most equitable solution would be found in making the German government pay such compensation as is allotted to persons who suffered at the hands of German insurgents, and the Polish government such compensation as is allotted to persons who suffered at the hands of Polish insurgents. There is of course a further solution proposed in the German note and also hinted at in Sir H. Stuart's despatch, namely that the Polish government who undoubtedly encouraged the last insurrection,

¹ The sections omitted referred to other matters.

² Not printed.

³ This committee had been set up shortly before the disbandment of the insurgent forces in July 1921, under the presidency of Signor Morosini.

should pay for the whole or part of the compensation. I observe from Warsaw despatch No. 699 of November 14th² that His Majesty's minister at Warsaw has protested against this proposal and I agree with him that in practice it would be impossible to make out a strong enough case against the Polish government to justify such a demand.

As regards the German government's claim that compensation should also be paid for damage done during the previous insurrections, it must be recollected that the first of these insurrections occurred in 1919 before the plebiscite commission had taken over the administration of the territory.⁴ . . .¹

⁴ i.e. in August 1919, see Vol. I, No. 36 ff.

No. 373

Sir H. Stuart (Oppeln) to the Marquess Curzon of Kedleston
(Received February 1, 8.30 a.m.)
No. 5 Telegraphic [C 1532/91/18]

OPPELN, January 31, 1922, 8.10 p.m.

Searches made on January 26th and January 28th in Oberglogau district resulted in discovery of a large quantity of military transport, equipment, clothing and rations but no arms, said to be stores of brigade of Selbstschutz.

The seized property was being guarded by police assisted by patrols of Italian soldiers. Police were disarmed on the night of January 30th by large body of men believed to be Selbstschutz some being disguised in police uniform who succeeded in carrying off greater part of stores. It is feared there must have been connivance by police. Enquiries are proceeding.

A more serious incident occurred in Gleiwitz town at 3 a.m. on January 31st when a detachment of French troops guarding a large quantity of arms seized previous afternoon was attacked by 80 to 100 Germans with bombs and fire-arms. Of French soldiers (? 20) were wounded 7 or 8 seriously. One German was shot dead. None of seized arms were [*sic*] carried off. The commission has in consequence declared state of siege in Gleiwitz town and adjoining villages. While deeply regretting these attacks on allied forces and authority of commission, I am of the opinion that the policy of searches for arms which are almost entirely directed against German population is a bad one. I have frequently expressed this view and have obtained the agreement of my colleagues. The searches nevertheless continue on initiative of French officials within areas controlled by French. I will endeavour to induce the commission to issue more stringent orders on this subject for with forces at our command it is impossible to undertake a complete and impartial disarmament of area.¹

¹ In his telegram No. 6 of February 4, not printed, Sir H. Stuart reported that two of the wounded French soldiers had died, and that, at the request of the French Government, an enquiry by a military court had been set up. The Inter-Allied Commission had also passed a resolution that day that no searches for arms 'should be made without express sanction of the commission except in cases of extreme urgency when Kreis controller might act on his own responsibility'.

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received February 2)

No. 261 [C 1572/33/18]

PARIS, February 1, 1922

My Lord,

I have the honour to acknowledge receipt of Your Lordship's despatch No. 219¹ of the 23rd January enclosing copies of correspondence with the Treasury on the question of compensation for damages incurred during the insurrection in Upper Silesia.

If I understand Your Lordship correctly, it is your desire that, when next the question comes before the Conference of Ambassadors, I should urge the rejection of the German claim that either the Principal Allied Powers or the Polish Government are responsible for the compensation to be paid. I am further to insist on the view that payment of compensation is a charge on the local revenues, which in practice will mean that it will fall on the German and Polish Governments jointly. In that case the question will arise and will require settlement as to the proportions in which the expenditure is to be divided between the two Governments.

I observe that Your Lordship's despatch of the 30th December to Sir W. Heneker² suggests that the adjustment of this charge might be settled in the Economic Convention now being negotiated. It will be necessary, however, in the first instance to get the German Government to accept the principle of charging this expenditure to the local revenues, and this I venture to think should be done by the Conference of Ambassadors as representing the Principal Allied Powers. It would be undesirable to allow this question of principle to become the subject of discussion and negotiation in either the Silesian Mixed Commission (when it meets) or in M. Calonder's Commission which is negotiating the Economic Convention, for not even Monsieur Calonder with his arbitral powers would be able to overrule the German objections on the matter of principle since the question is outside the terms of reference laid down in the League of Nations' decision.

But once the Conference of Ambassadors thus deals with the main question, it may as well at the same time settle the subsidiary, but equally contentious question of the allocation of the expenditure between the two Governments since there is no prospect of the present local revenues being sufficient for the purpose. Subject therefore to Your Lordship's approval I propose to suggest, when the question comes up again for discussion, that the Conference of Ambassadors should adopt the principle recommended by His Majesty's Government and should at the same time partition the expenditure between the two Governments on the following basis: the German Government to pay compensation for damage done by German bands, and the Polish Government to pay compensation for injuries committed by Polish bands.

¹ Not printed.

² Foreign Office despatch No. 160 to Oppeln, not printed.

This solution appears to me the most just, but I anticipate that, whereas the French will welcome the decision to make the territory liable for the expenditure, they will offer strenuous opposition to this form of dividing the cost, since in practice it will undoubtedly mean that Poland will be liable for nearly the whole amount. They will probably propose either that the expenditure should be apportioned between the two Governments in proportion to the size of the territory allocated to each country, or else that each individual claimant should be compensated by the Government in whose territory he is domiciled. Both these solutions would be manifestly unjust.

They are also likely to argue that whatever system of allocation between Germany and Poland is adopted in regard to other expenditure chargeable to local revenue (e.g. cost of plebiscite, maintenance of army of occupation etc.) must be applied equally to this expenditure. No such general method of allocation has yet been settled but, as shown in my telegram No. 937¹ of December 7th section 15, and my despatch No. 259 of January 31st,¹ the Conference of Ambassadors will be compelled to take up the question shortly. The agreement concluded between General Lerond and Herr Von Simson on the 9th January 1920 respecting the administration of the various plebiscite areas³ is supposed to settle questions of this nature, but it does not in the present case afford much guidance. I think, however, that it can be safely argued that compensation payable for damage done by an insurrection cannot be held to be included in the ordinary costs of local administration referred to in Articles 1 and 2 of the section headed *Régime financier*, but must be provided for separately and by special arrangement.

For the purposes of expenditure chargeable to local revenue, the Lerond-Von Simson agreement stipulates that the German Government shall make advances to anticipate and supplement the local revenue, and that part of these advances shall be recoverable from the other Government to whom the territory or part of it is allotted as a result of the plebiscite (paragraph 2 of Article 2 of *Régime Financier*). Unfortunately it does not lay down the method to be adopted for the purpose of calculating the share of the expenditure to be recovered from the 'other Government'. Hitherto the Conference of Ambassadors do not appear to have adopted any hard and fast rule in the matter. In the case of the Marienwerder and Allenstein plebiscites this expenditure was divided in proportion to the size of the territory acquired by each country. In both these plebiscites a far larger share of the territory went to Germany. In the case of Klagenfurt the expenses were divided equally between Austria and Yugo-Slavia, although the latter country received no territory as a result of the plebiscite. In the case of Slesvig, where the territory was roughly speaking divided equally between Germany and Denmark, the expenses were also equally divided between the two Governments. In the case of Upper Silesia the decision of the Conference of Ambassadors will be scrutinised with much greater attention than in former plebiscites on account of the vastly larger sum involved and of the very different results

³ For the text of this agreement, see Wambaugh, vol. ii, pp. 50-57.

which will be obtained according as to whether the allocation is made in proportion to the area of the territory attributed to each country, or in proportion to its value.

I have, &c.,

HARDINGE OF PENSHURST

No. 375

General Sir W. Heneker¹ (Oppeln) to the Marquess Curzon of Kedleston
(Received February 16, 8.30 a.m.)

No. 15 Telegraphic [C 2309/33/18]

OPPELN, February 15, 1922, 4.40 p.m.

With reference to your despatch No. 13² and copy enclosed therein of Lord Hardinge's despatch No. 261.

As Sir Harold Stuart has examined in detail question of payment of compensation for damages and of deficit expected on termination of commission and is now in London, I suggest that it would be desirable to ascertain his views on proposals put forward by Lord Hardinge.³

My own view is that the question of payment for damages due to insurrection is quite distinct from that of payment of ordinary expenses of occupation of territory by commission and allied forces. In the former case I consider that damage done by Poles should be paid for by Poles and that done by Germans should be paid for by Germans. As regards ordinary expenses it appears to me that these should be defrayed in proportion relative to wealth of areas allotted to Poland and Germany.

¹ General Heneker was deputizing for Sir H. Stuart, who was absent from Oppeln from February 3 to May 23, 1922.

² Of February 9, not printed. This had transmitted to Oppeln a copy of Paris despatch No. 261 (No. 374) with a request for Sir H. Stuart's observations on it.

³ In a minute dated February 23 Mr. Waterlow wrote: 'I have settled the terms of the attached drafts with Sir H. Stuart today [see No. 377, and No. 377, n. 3, below]. As to the second (confidential) draft: he is anxious that General Lerond should be drawn to Paris, if possible. If he is not in Silesia, there is less likely to be trouble.'

No. 376

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received February 23, 8.30 a.m.)

No. 99 Telegraphic: by bag [Confidential/General/199/4]

PARIS, February 22, 1922

The conference of Ambassadors met this morning under the chairmanship of M. Jules Cambon, the Belgian Ambassador being also present, and considered the following questions. . . .¹

¹ The section omitted referred to other matters.

2. As a result of the report addressed to the conference by the Upper Silesian Plebiscite Commission (see Sir W. Heneker's telegram to Your Lordship No. 15 [17])² the French government had proposed that the conference should at once assume that the German government were responsible for the recent attack on French troops and should take steps to prepare the allied case with a view to exacting the necessary penalties and reparations. Having regard to the views expressed in Sir H. Stuart's despatch to Your Lordship No. 123³ of the 6th February and in his telegrams Nos. 6⁴ and 12,⁵ and also in Sir W. Heneker's telegram No. 18,⁶ I informed M. Cambon before the meeting that I could not agree at this juncture to the conference of Ambassadors presuming the complicity of the German government, and that if I were pressed at the conference to do so, I would feel compelled to bring up the points made by Sir H. Stuart in the two memoranda which he recently addressed to the Plebiscite Commission (copies of which are enclosed in his despatch No. 123). The matter was submitted to M. Poincaré⁷ during the meeting, and M. Cambon was eventually authorised to reduce the French proposal to a mere request that the Plebiscite Commission should furnish the conference with the complete minutes of the judicial enquiry and all the evidence obtained. This I agreed to. I enclose in my despatch No. 458⁸ of today's date copy of the private letter which I addressed to M. Cambon on the subject, as well as the telegram which is being sent to the Plebiscite Commission.

3. The conference agreed to the proposals contained in Your Lordship's despatch No. 243 of the 25th January,⁹ and will invite the German and Polish governments to ratify the Silesian Economic Convention if possible within a week of its conclusion. In the meanwhile, the Plebiscite Commission is to be consulted as to the date on which the Boundary Commission should begin the actual marking of the new frontier on the ground, which will take

² The reference is to Oppeln telegram No. 17 of February 17, not printed, which gave the text of a telegram of February 15 from the Commission to the Conference of Ambassadors transmitting the results of the judicial enquiry into the events reported in No. 373. These results indicated that members of the local Selbstschutz organization were implicated, and many of them had since disappeared. The telegram concluded: 'To sum up according to present knowledge attack on barracks was apparently directed by elements of a powerful German fighting organisation whose arms and equipment came partly from Germany which could only have been organised with the complicity of many people including certain state officials.'

³ This number was corrected to read '23' on the filed copy. This despatch, not printed, gave a full account of the attack on the French troops, and enclosed copies of the French Government's demand for an enquiry (see No. 373, n. 1) and of two memoranda addressed to the Commission by Sir H. Stuart proposing the prohibition of searches for arms and the reorganisation of the intelligence service in Upper Silesia. (For the first proposal, see No. 373, n. 1.)

⁴ See No. 373, n. 1.

⁵ Not preserved in Foreign Office archives.

⁶ Of February 17, not printed. In this General Heneker stated that he agreed with Sir H. Stuart's view that the complicity of the German Government had not been proved.

⁷ M. Poincaré had succeeded M. Briand as President of the Council and Minister for Foreign Affairs on January 15, 1922.

⁸ This despatch and its enclosures are not printed.

⁹ See No. 371, n. 3.

between eight and ten days. It is suggested that it should be commenced on the day that the Economic Convention is signed. Your Lordship will recollect that strictly speaking, as soon as the frontier is fixed on the ground the Plebiscite Commission is bound to notify the decision of the allied governments as to the partition of territory, and within a month of the date of such notification to hand over the territory. On the other hand it is recognised that this official notification ought not to be made until the Economic Convention has been duly ratified by both parties.

As regards the withdrawal of the allied troops, General Weygand explained to the conference that arrangements had already been made with the German government, and that the month which is to elapse between the notification and the transfer of territory will afford ample time for the evacuation. . . .¹⁰

¹⁰ The sections omitted referred to other matters.

No. 377

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 563 [C 2645/33/18]¹

Immediate

FOREIGN OFFICE, *February 24, 1922*

Y[our] E[xcellency],

The last paragraph of Y. E.'s despatch, No. 261 of the 1st inst.,² discusses the question of the method to be adopted for calculating what shares of the expenses of the Upper Silesia Plebiscite Commission shall be recovered from the German and Polish Govts. respectively. It is desirable that this question should be settled in principle as soon as possible, and in advance of the formal fixing of the new frontier. I therefore request that Y. E. will support and, if necessary, recommend a solution on the following lines.

2. The Ambassadors' Conference should, in the opinion of H.M.G., notify the German and Polish Govts. at an early date that the allied Govts. have decided that the costs of the occupying forces and the expenditure by the Commission are, under section 6 of the annex to article 88 of the Treaty of Versailles, to be defrayed by them in a ratio to be fixed in proportion to the wealth of the areas allocated to the German and Polish Govts. respectively under the award of the allied Powers. The German and Polish Govts. should be required formally to accept this principle, and, at the same time, to agree that they will accept the actual charges which, in accordance with this principle, the allied Govts. will eventually fix.

3. It would be well that the Ambassadors' Conference, when informing the Plebiscite Commission of this decision, should instruct the Commission to submit proposals as to the practical methods by which the above ratio is to be calculated. It will be necessary that the results of the calculation and the amounts to be paid by each party should in due course be approved by the Ambassadors' Conference.

¹ The approved draft only of this despatch has been preserved in Foreign Office archives.

² No. 374.

4. As regards the connected question of compensation for damages suffered in the insurrections that have occurred during the occupation, it would seem desirable that expenditure under this head should be included in the total sum which is to be made a charge on the area, in accordance with the provision of the treaty mentioned above. The Conference should consider and decide whether this can be properly done; and, if so, whether such expenses should be distributed between the two parties on the above principle, or whether in this case some other principle should be made to apply, such as payment by each Govt. for damages done in the part of the plebiscite area allotted to it. The suggestion that Germany and Poland should pay for the damages done by their respective partisans is one to which in practice it would be difficult if not impossible to give effect. The attempt to prove the agency by which any particular damage was done would lead to endless disputes. Inclusion of the costs of compensation in the charge on the area should not, however, be put prominently forward as a proposal made by H.M.G., although every endeavour should be made to secure this solution.

5. In view of the controversial character of this question it seems desirable that the Ambassadors' Conference, whatever their decision, should take early steps to secure its formal acceptance by the German and Polish Govts. before the frontier is finally fixed.

6. Copies of this correspondence have been sent to H.M. RR. [Representatives] at Berlin, Warsaw and Oppeln.
(in the absence of the S. of S.)³

³ This draft was initialed on February 23 by Mr. Waterlow and Sir E. Crowe in the absence of Lord Curzon who was attending a debate in the House of Lords. Lord Curzon returned the draft on February 24 without initialing it. In a second, confidential, despatch, No. 564 of the same date, not printed, Lord Hardinge was asked whether he wished to avail himself 'of the personal advice and assistance of Sir H. Stuart, who is now in London'. If he decided to act on this suggestion: 'it would be well to inform the French Government. The result will probably be that General Le Rond will also leave Silesia for Paris. Sir H. Stuart considers that General Le Rond's absence from Silesia during the final stages of the present negotiations would not endanger the tranquillity of the area.'

No. 378

General Sir W. Heneker (Oppeln) to Lord Hardinge (Paris)

No. 9¹ Telegraphic [C 2826/91/18]

OPPELN, February 25, 1922, 11.30 a.m.

Addressed to Paris No. 9; repeated to London and Berlin.

Your telegram dated February 23rd.² Regarding memoranda referred to in last part of your telegram³ the commission on February 7th decided

¹ This telegram was repeated as No. 21 to the Foreign Office, where it was received on February 25 at 7.15 p.m.

² This telegram, which was repeated to the Foreign Office as Paris telegram No. 106 of February 23, has not been preserved in Foreign Office archives.

³ The reference is to the two memoranda enclosed in Oppeln despatch No. 23. See No. 376, n. 3.

to prohibit search for arms without its consent except in case of extreme urgency and in particular in event of imminent threats to security of troops. I have under this decree vetoed two searches for arms within the last week.

The secret service has been reconstructed on an inter-allied basis and intelligence portion of it has been placed under a British official. Sir H. Stuart's final plan as given to me has been adopted *in toto*. Reference previous part of your telegram, I am still of opinion that plebiscite commission's first report sent you under my No. 17⁴ contained nought which can be construed as implicating the German Government in general or even the leader of *selbstschutz* organisation. The report refers only to 'elements' of such an organisation as having taken part in attack but it does not say that any leader or any particular *selbstschutz* battalion had been proved as involved. Naturally leaders have left vicinity for they feared arrest and whether innocent or guilty are well aware of treatment likely in French military detention under a state of siege. In present state of Upper Silesia it is well known that both Germans and Poles have secret organisations and that these organisations are well armed but, as often reported by Sir H. Stuart and myself, it would take a large inter-allied army really to disarm the country. Continually to raid only the Germans for arms and never the Poles naturally tends to exasperate former but really to carry out effective disarmament is beyond power of present allied military strength. German arms came in from Germany in spite of all precautions of plebiscite commission and Poles got arms from Poland in like manner but it is illogical in either case to accuse either German or Polish government, without definite proof, of furthering this traffic. It is equally illogical without proof to accuse the two governments respectively of being . . .⁵ Polish insurgents and German self-defence organisations which possess arms referred to. Report referred to in no cases furnishes such proof in my opinion.

Further report has come in today and résumé thereof is being telegraphed to conference of ambassadors. I can find again nought in this report implicating either German government or *selbstschutz* organisation.

⁴ See No. 376, n. 2.

⁵ The text is here uncertain.

No. 379

*Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received March 3, 8.30 a.m.)*

No. 117 Telegraphic [Confidential/General/199/4]

PARIS, March 1, 1922

The conference of ambassadors met this morning under the chairmanship of M. Jules Cambon, the Belgian ambassador being also present, and considered the following questions. . . .¹

7. The plebiscite commission have expressed the view that the expenses

¹ The sections omitted referred to other matters.

incurred as a result of the Upper Silesian insurrection should be considered as a charge on the territory.² I accepted this view, and the German government, who had argued that the allied governments ought to pay, will be informed accordingly. As regards the proportion in which this expenditure should be divided between the German and Polish governments, I informed the conference that I intended to put forward definite proposals at an early date. I shall be glad, therefore, to receive as soon as possible the views of Sir H. Stuart, as asked for in my despatch No. 509 of yesterday's date³. . . .¹

² The views of the Commission were sent to the Conference of Ambassadors on February 15 and a copy transmitted to the Foreign Office under cover of Oppeln despatch No. 34 of February 15, not printed.

³ This despatch of March 1 is not printed. It had asked for 'definite proposals' with regard to the division of the expenses of the insurrection between the German and Polish Governments in view of the anticipated French opposition to the views expressed by His Majesty's Government in No. 377.

No. 380

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received March 3, 8.30 a.m.)

No. 121 Telegraphic: by bag [C 3109/91/18]

Following sent to Berlin today No. 5: PARIS, March 2, 1922

'Your telegram to Foreign Office No. 53.'¹

'Conference of Ambassadors decided yesterday to ask German government to assist in the arrest of persons enumerated at end of second report of Petersdorf incident against whom there are warrants of arrest.

'I should be glad if you would, if you see no objection, join with your French and Italian colleagues in making the necessary representations.

Repeated to Foreign Office.'

¹ This telegram of February 28 has not been preserved in Foreign Office archives. According to the docket, it referred to the second report of the committee of enquiry into the incident which had become known as the 'Petersdorf affair' (see No. 373), and stated that it would be 'fatal' in view of this report to charge the German Government with complicity. The report was transmitted to the Foreign Office under cover of Oppeln despatch No. 47 of February 26, not printed.

No. 381

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 645 [C 3135/33/18]¹

Your Excellency,

FOREIGN OFFICE, March 6, 1922

In compliance with the request made in Your despatch No. 509 of March 1, 1922,² I have consulted Sir Harold Stuart on the subject of the allocation between the German and Polish Govts. of the expenditure on compensation

¹ The approved draft only of this despatch has been preserved in Foreign Office archives.

² See No. 379, n. 3.

for damages caused during the insurrection in Upper Silesia. In his opinion, with which I agree, it would be wise to accept a proposal that this expenditure should be treated in the same manner as the cost of the occupying forces and the expenditure by the Commission and distributed in the same ratio as the unpaid balance of those charges between the German and Polish Govts.

2. The only expenditure on compensation up to date has been met from funds placed by the German Govt. at the disposal of an official appointed by it and distributed by that official without any authority from the Commission.³ This expenditure consisted for the most part, if not entirely, of grants to provide seed grain, agricultural stock and implements, and the stock of small shopkeepers, this relief being urgently required. It is probable that many of the claims so satisfied will be admitted by the Committees set up by the Commission for the assessment of claims.

3. No expenditure has so far been incurred by the Commission and it is improbable that any will be incurred before its dissolution, though the Commission may perhaps accept the whole or part of the expenditure by the German official mentioned above. The cost of compensation, therefore, is on a different footing from the charges for the occupying forces and the administration of the territory by the Commission, and the Polish Govt. may, for this reason, object to bear any share of it. It is, however, in my opinion an equitable charge on the area, and H.M. Govt. therefore, desire that you will support any proposal to treat it as forming part of the total liability to be accepted by the German and Polish Govts.

4. In paragraph 2 of my despatch No. 563 of Feby. 24, 1922,⁴ I suggested that the Ambassadors' Conference should send a communication to the German and Polish Govts. on the subject of the apportionment of the final liability in respect of Upper Silesia and I leave Your Excellency to decide whether the question of the treatment of the expenditure on compensation could be appropriately raised on that occasion by the inclusion of a specific reference to it in the decision of the Conference.

5. Copies of this correspondence have been sent to H.M. RR [Representatives] at Berlin, Warsaw and Oppeln.

(For the Secretary of State)
S. P. WATERLOW

³ In his despatch No. 172 of November 17, 1921, not printed, Sir H. Stuart had reported that the German Government had 'made a grant of 100 million marks and appointed Geheimrat Doctor von Grolman to distribute both loans and advances'. The German Government was informed that 'no official recognition could be given to him or his committees' but Sir H. Stuart had 'caused a communication to be made to him unofficially that it was not the intention of the Commission to forbid his making such enquiries and granting such sums as he might deem fit'. In an interview with Sir H. Stuart on November 15, Doctor von Grolman stated that 'he had distributed 60 million marks out of the 100 million marks provided by the German Government for relief of urgent cases; that he had received in all some twenty thousand claims; that he had set up eleven committees to deal with these claims, together with a fairly large subsidiary staff to assist and supervise them; that these committees were only just beginning to get to work; and that the assessment of all claims would take at least nine months and probably longer. He estimated that the compensation to be awarded would amount to between two and three milliards of marks.'

⁴ No. 377.

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received March 10, 8.30 a.m.)

No. 136 Telegraphic: by bag [C 3528/91/18]

PARIS, March 9, 1922

Oppeln despatch No. 58.¹

I gather that Sir W. Heneker deprecates a request being made by the allied ambassadors at Berlin to the German government to arrest the fugitives against whom warrants of arrest have been issued on the ground that these warrants do not accuse the fugitives of complicity in the Petersdorf incident, but merely of being members of secret societies, and that, moreover, the warrants themselves are unjustifiable. As the French government are naturally indignant at the attack on their troops at Petersdorf, I consider that it would be most undesirable that we should give the appearance of refusing to co-operate with them in any measures which have for their object the punishment of the guilty. Although we could argue that the resolution of the conference was taken on the assumption that the fugitives were being definitely accused of complicity in the attack, such an argument would certainly be misinterpreted, and resented as a quibble. The position of course would be different if the warrants of arrest were formally withdrawn but I understand that there is no prospect of this.

Although the surrender of the fugitives is not for the present being asked for, it would be desirable to clear up at once the question of extradition by adopting the views set forth in Sir C. Hurst[']s minute enclosed in your despatch 95 of January 10th.²

As regards the arrest by the German government of prisoners wanted by the Upper Silesian commission we have the precedent of the individuals who organised the attack upon the prison at Gleitwitz [*sic*] in January, when Joske [Joschke]³ and other prisoners were released. The conference then asked the German government, through the intermediary of the allied ambassadors at Berlin, to arrest and hand over not only Joske and the escaped prisoners, but

¹ Of March 5, not printed. This despatch transmitted copies of correspondence between General Heneker and Lord D'Abernon, including a telegram from General Heneker reporting the receipt of a report signed by the British and Italian members of the tribunal investigating the Petersdorf affair. Among their conclusions were: '(1) Some leaders and members of the Selbstschutz have fled in order to escape arrest on suspicion, but not because they are implicated in the affair. (2) Neither German Government nor Selbstschutz are implicated.'

² Not printed. In this minute of January 7, Sir C. Hurst had stated that since Upper Silesia would not cease to be part of Germany until, as a result of the plebiscite, a new frontier was fixed for Germany, the Commission could not be considered a 'foreign government' and the question of extradition did not arise. Only if the validity of the court, under sections 2 and 3 of the annex to Article 88 of the Treaty of Versailles, was questioned, could the Germans justify a refusal to return Joschke, and according to Sir W. Heneker's telegram No. 2 of January 5 and Sir H. Stuart's telegram No. 1 of January 10 (not printed), the validity of the court had been recognized by the German Government.

³ See No. 225, n. 1.

also the perpetrators of the outrage. The German government in their reply (see Lord d'Abernon's despatch No. 75 of January 23rd)⁴ undertook that the competent authorities would endeavour to track down the perpetrators.

Your Lordship will, no doubt, send instructions direct to Lord d'Abernon on this subject. As the French have already complained to me of the delay in carrying out the resolution of the conference, I trust that these will not be delayed.

⁴ Not printed.

No. 383

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received March 18, 8.30 a.m.)

No. 158 Telegraphic: by bag [C 3992/33/18]

PARIS, March 17, 1922

Following sent to Oppeln today.

Begins:

Your telegram No. 33 to the Foreign Office.¹

Following from Sir H. Stuart who is now here.²

Your telegram of March 15th. I agree that we must keep eight battalions in Upper Silesia for present. Any reduction would create most injurious impression.

Repeated to Foreign Office No. 158.

Ends.

¹ Of March 15, not printed. This had transmitted a copy of General Heneker's reply to a suggestion from the General Officer Commanding the British Army of the Rhine that the number of battalions sent to relieve British troops in Upper Silesia should be reduced from five to four, although the total number of British troops should not be reduced.

² See Nos. 375 and 377, n. 3.

No. 384

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received March 18, 8.30 a.m.)

No. 159 Telegraphic: by bag [C 3993/91/18]

PARIS, March 17, 1922

Following sent to Oppeln and to Berlin to-day.

Begins.

Following from Sir H. Stuart who is now in Paris.

I have recommended that the matter of the surrender of persons wanted in connection with Petersdorf affair should be remitted to the commission which should follow the ordinary procedure and address to von Moltke a demand for surrender provided it is satisfied that there is *prima facie* evidence of the commission of an offence in respect of which surrender would ordinarily be asked. The German government will probably in any case refuse to surrender

Germans for trial before Cour Speciale¹ but I think that objection to validity of that court cannot be admitted at this late stage, and if commission is satisfied that there are good grounds for demanding surrender and German government refuses I would then urge our ambassador at Berlin to join in a demand for surrender. In my opinion mere membership of the selb[st]-schutz association is not an offence and has never been treated as such by the commission.

The matter is being discussed here and the result will be communicated by ambassador.

Repeated to Berlin and Foreign Office No. 159.

¹ The Special Court had been instituted on March 11, 1920, [see *Journal Officiel de Haute-Silésie*, No. 2, March 17, 1920, pp. 10-12] to deal with offences committed by inhabitants against the persons, property, or institutions of the Commissioners or their staff or the Allied troops. Its powers were extended by a decree of August 25, 1920 [see *ibid.*, No. 7, August 29, 1920, pp. 39-40] to cover all crime of a political nature, whether directed against Allied personnel or local inhabitants. The President of the Court and the Chief Public Prosecutor were French. The German Government refused to admit the legality of this Court, maintaining that its institution required legislation which the Commission had no power to enact; in practice, however, German judicial officials were prepared to work with it. When on June 21, 1921, an amnesty was declared, the Special Court was made competent to decide doubtful cases. This increased its already heavy burdens so that it never caught up arrears. For the final recognition of the Court's legality by the German Government, see No. 399 below.

No. 385

General Sir W. Heneker (Oppeln) to the Marquess Curzon of Kedleston
(Received March 23, 2.45 p.m.)

No. 36 Telegraphic [C 4311/91/18]

OPPELN, March 22, 1922, 11 p.m.

My telegram No. 34.¹

Further evidence has been collected and special court has issued fresh warrants. Yesterday in commission General le Rond proposed to demand extradition of six persons accused of murder and six others accused of formation of armed bands. I said that while sympathising with French I could not consent to demand concerning latter six, as although formation of armed bands was a criminal offence commission could not consistently demand extradition of persons accused of it unless we prosecuted majority of able-bodied men in the country, Poles as well as Germans.

After heated argument by le Rond I expressed willingness to reconsider the question if court formulated a graver charge. Charge of complicity in sedition was then added and seeing no objection to asking for extradition on this charge I gave my consent.

¹ Of March 16, not printed. This telegram reported that a further report on the Petersdorf affair had been forwarded by the Commission to the Conference of Ambassadors. This report was transmitted to the Foreign Office under cover of Oppeln despatch No. 67 of March 17, not printed.

A note has accordingly been sent to German Government through Von Moltke giving names of persons against whom warrants have been issued specifying charges and asking German government to use every endeavour to arrest and hand over accused.

Text of note will be sent by bag.²

Addressed to Foreign Office. Repeated to Berlin.

² The text of this note was forwarded under cover of Oppeln despatch No. 74 of March 24.

No. 386

Mr. Max Muller (Warsaw) to the Marquess Curzon of Kedleston
(Received March 29)

No. 154 [C 4674/33/18]

Confidential

WARSAW, March 24, 1922

My Lord Marquess,

I have the honour to transmit herewith a memorandum by Mr. Kimens¹ on the political aspect of the situation in Upper Silesia which he has recently visited in order to prepare a report required by His Majesty's Government on the economic situation in that district.

Mr. Kimens is strongly impressed—more strongly I think than he states in his memorandum—by the extreme desirability of liquidating the International Commission at the earliest possible moment. In his opinion the presence of General Le Rond and the other French civil and Military officers serves no other purpose than to maintain the racial bitterness which found its culminating expression in the Polish insurrection of last Spring. Sir Harold Stuart and General Sir William Heneker have frequently drawn Your Lordship's attention to the entirely partial attitude of the French Commission which has recently been especially manifest in such matters as the conduct of searches for arms, and Mr. Kimens, who has a number of old friends among the more prominent inhabitants of the area and found an opportunity of conversing freely with them during his visit, found evidence of this partiality at every turn; he fears indeed that much has already been done to undermine the effect of the conciliatory spirit shown both by the Poles and Germans in the course of negotiations conducted under the presidency of Monsieur Calonder.

In the detailed report² on the economic side of the Upper Silesian problem, which I am forwarding by this bag, Mr. Kimens has developed the view on which he touches in this memorandum that the prosperity during the next few years of the important iron and steel industry of Upper Silesia depends largely on the success of the Poles in maintaining German interest in that industry. Briefly the argument which he advances is that Germany will be for the next few years the only adequate market for the iron and steel produc-

¹ Commercial Secretary in H.M. Legation, Warsaw.

² See No. 387 below.

tions of Upper Silesia, and that should German interest in the works in Polish Upper Silesia be eliminated, Germany will endeavour to make herself independent of Upper Silesian products. The result would undoubtedly be unemployment and a general dislocation of the life of the area, which would undoubtedly react on the whole of Poland and render more difficult the work of reconstruction.

I have, &c.,
W. G. MAX MULLER

ENCLOSURE IN No. 386

On the surface the Germans and the Poles would appear to be gradually getting used to the decision of the Allied Powers regarding the partition of Upper Silesia. Relations between the German and the Polish Governments are improving, and the smooth manner in which the negotiations of the mixed Upper Silesian Commission were conducted, ending in an agreement on all but four points, testified to the desire on the part of the two contracting powers to arrive at a complete understanding in an amicable way.

It is believed, however, that it will not be possible to settle the questions of the minorities, of the liquidation of German property, of German Trade Unions and of the currency without the intervention of Monsieur Calonder, the President of the Commission.³

The final settlement of the partition and the carrying out of the recommendations of the League of Nations will present considerable difficulties and it is probable that the present unrest will continue after the handing over of the zones to the respective Governments.

There is reason to believe that the Poles will be inclined to introduce a policy of Polonising the district allotted to them which will create dissatisfaction amongst the German population, and that the Germans on their part will continue the policy, which they followed both in Posnania and Danzig, of doing their utmost to bring discredit on the Polish administration.

The only way to arrive at a satisfactory solution of the problem would appear to lie in a harmonious co-operation of the two Governments and of the Polish and German populations in Polish and German Upper Silesia, such co-operation being based on the recognition of the legitimate rights of all the sections of the population irrespective of nationality, on the abandonment by Germany of all hopes of re-conquering Polish Upper Silesia in the future, and on the establishment of close economic relations between the two countries in order not only to maintain but also to develop the industries of Polish Upper Silesia.

The policy of the French, who exercise a predominating influence in Upper Silesia, would appear to be inspired by other motives which will not contribute towards the settlement of the problem in a satisfactory manner, and the elimination of the French influence with as little delay as possible is therefore in every respect desirable. This view is substantiated by the unreserved

³ See No. 390 below.

expression of opinion of French officials in Upper Silesia that as they are convinced of the impossibility of avoiding in the future a fresh war with Germany it is in their interest to derive as many benefits as possible from the present situation before Germany can recover from the effects of the war. It seems that the French do not desire a close co-operation between Poland and Germany as they realise that a favourable settlement of the Upper Silesian question would result in closer political and economic relations between Germany and Poland which does not seem to lie in their interest.

The diminution of the French influence will follow on the withdrawal of the Upper Silesian Inter-Allied Commission and could be accelerated by a fresh recommendation of the League of Nations that the Chairman of the Upper Silesian Mixed Commission must be a neutral.

The difference between the views of the French and British Governments is fully realised in Upper Silesia by the Germans and the Poles and is made use of for playing off one nation against the other. This results in the demoralisation of both sections of the population and creates discontent and unrest which in the opinion of persons who would appear to be well informed may end in serious trouble when the administration of the zones is handed over to the respective Governments or even at an earlier date. It is perhaps also necessary to point out the objection felt by the Germans to the recommendation of the League of Nations regarding the liquidation of German property. It is proposed by the League of Nations that:

‘Poland shall renounce for a period of fifteen years the powers granted by article 92⁴ as regards the expropriation of industrial undertakings, mines or deposits, save where, in the opinion of the Mixed Commission, such powers are indispensable to ensure continued operation.’

The Germans maintain that the valuation of the property which was expropriated in Posnania was not carried out on a fair basis, and they fear a repetition of this in Polish Upper Silesia. If their fears are justified it would appear essential in the interests of Germany and Poland that the latter should either divest herself completely of the right of expropriation or that she should give Germany valid assurances that the valuation will be carried out in an equitable manner, otherwise there will be no inducement for the Germans to maintain their ownership in Polish Upper Silesia which is one of the essential conditions for the development of the district.

Special attention is drawn to the importance of the establishment of Consular representation of the Allied Powers in Upper Silesia after the departure of the Commission. France and Germany have already appointed Consuls to reside in Kattowitz, and it would appear desirable in view of the existing divergence of opinion between the French and British Governments that a British Consul should also be appointed immediately after the departure of the Commission.

⁴ Of the Treaty of Versailles.

*General Survey by Mr. Kimens on the economic situation in Upper Silesia*¹

[C 4730/123/18]

The future of Upper Silesia and its influence on the economic life of Poland will depend in a large measure on the future relations between Germany and Poland.² Upper Silesia is so closely linked up with the two countries from an economic, political and national point of view that without a harmonious cooperation between the two governments its prospects are anything but bright, and it will be difficult, not only to develop the resources of this exceptionally rich district, but even to maintain them on their present level. At the present moment, however, the undisguised hostility which has existed between the Poles and the Germans is gradually subsiding, and there are indications that the two Governments are prepared to cooperate in establishing a workable arrangement as regards the immediate future at any rate.

The Poles realise that Polish Upper Silesia cannot prosper without the German market and that instead of being a considerable national asset, it might become a liability if that market were closed to its products.

But in this case also, as in so many other European problems, the future of Upper Silesia depends in a considerable measure on the Russian problem. Before the war it obtained considerable quantities of foodstuffs and raw materials from Russia.

The economic interdependence between Germany and Poland which was very close before the war has, therefore, been rendered far closer by the decision of the League of Nations, and if the problem is viewed as a pure economic problem the questions requiring solution are:

1. The maintenance on the present level and the future development of the mineral wealth and the industries in Upper Silesia.
2. The maintenance of the present markets for Upper Silesian products and
3. The subsequent extension of the markets especially when normal trade relations with Russia are possible. This can be brought about only by good relations between Poland and Germany and a whole hearted cooperation between the Germans and the Poles in Polish Upper Silesia.

¹ This survey is the introductory chapter of an undated report by Mr. Kimens, transmitted to the Foreign Office under cover of Warsaw despatch No. 158 of March 24, not printed.

² Commenting on the report in a minute of April 3, Mr. Waterlow said: 'That the League's award allotted the lion's share to Poland and that she will have great difficulty in digesting it,—these are the main points brought out by this report. The root difficulty is that the whole industrial triangle is a relatively mushroom creation, constructed to face north-west. The problem is to detach two-thirds of it and to turn the detached part round eastwards. A highly educative problem if Poland can tackle it successfully, and one that ought to have a salutary effect on the whole economy of the Polish state. The necessity of dealing with it in a practical spirit has already produced better relations with Germany. That is a good omen for the future. But in the background is the sinister influence of French policy, which has other aims in view than the prosperity of Poland.'

The problem is not an easy one, however, owing to political animosities, the different character of the peoples, the relative inefficiency and administrative inexperience of the Poles and also to the temporary character of some of the recommendations of the League of Nations under which the final settlement of various important points has been postponed for a period of up to fifteen years.

The recommendations of the League of Nations have laid down the basis of a workable arrangement between the two countries, but the following points cannot be too strongly emphasized.

1. The Poles should abstain from artificially polonizing Polish Upper Silesia in order to avoid discontent amongst the German population there and a reciprocal engagement should be given by the German Government regarding the treatment of Poles in German Upper Silesia.

2. The Poles should encourage by all means at their disposal the maintenance of German ownership in Polish Upper Silesia. For this purpose it would appear necessary that the recommendation of the League of Nations, whereby

‘Poland shall renounce, for a period of fifteen years the powers granted by article 92 as regards the expropriation of industrial undertakings, mines or deposits, save where, in the opinion of the Mixed Commission, such powers are indispensable to ensure continued operation,’

be settled definitely with as little delay as possible. There are two possible solutions: either Poland divests herself of this right, or gives the Germans concrete assurances that should she make use of the right of expropriation, the valuation of the property will be carried out in a just and equitable manner. The Germans are rightly or wrongly convinced that the expropriations carried out in Posnania have been grossly unjust and it may be regarded as certain that fresh German capital will not be available in Polish Upper Silesia unless very definite assurances of fair treatment are forthcoming.

3. The Poles should do all in their power to encourage the German technical personnel employed in the mines and industrial establishments and on the railways to remain in Polish Upper Silesia, as for many years to come they will not be able to replace them in an adequate manner.

4. Maintenance of the present legislation in Upper Silesia.

5. Adoption of a liberal export policy.

6. Encouragement of investments by Allied and neutral countries in Polish Upper Silesia.

7. Abstention from the introduction by Germany of an economic policy which might be detrimental to the economic life of Polish Upper Silesia as regards her exports and imports to and from Germany.

There has been, as stated above, a great improvement in the relations between the two Governments regarding Upper Silesia and the conciliatory spirit which has prevailed during the negotiations under the chairmanship of Mr. Calonder is a good omen for the future. From the success of these negotiations it is legitimate to conclude that much will depend on the com-

position of the Upper Silesian Mixed Commission to be set up in accordance with the recommendation of the League of Nations for supervising the application of the temporary measures. It is also of real importance that the president should be selected from a country which was neutral during the war.

The future of Upper Silesia will depend on whether, as a result of the division of the district the maintenance at the present level of the three principal industries—the coal, metallurgical and zinc, and their development in the future will be possible; or whether through changed conditions of production and the loss of certain markets and the impossibility of substituting them by new ones, production will decrease, thus affecting the prosperity of the district.

The coal industry will probably not be affected as regards production, and it should be possible to retain during the first years after the division the present markets and to replace the German market gradually by the eastern markets.

It will be easy to retain the present markets for zinc.

The metallurgical industry can suffer from the division if the German market is lost, in view of the impossibility of substituting it in the near future by other markets, notably Russia. Germany will be, therefore, in a position to exercise an influence by closing her market to Polish Upper Silesia which is, however, unlikely in view of the large financial investments of her nationals in this industry; it will nevertheless be expedient for the Poles to encourage the maintenance of German ownership.

No. 388

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 990 [C 5027/33/18]¹

FOREIGN OFFICE, April 7, 1922

My Lord,

With reference to my despatches Nos. 563 of Feb. 24, and 645 of March 6,² relative to the payment by the German and Polish Govts. of the expenditure of the Upper Silesia commission, the cost of occupation and compensation for damages due to the insurrection of May 1921, I transmit to Y. E. herewith copy of a memorandum drawn up by Sir H. Stuart,³ after consideration of Gen. Heneker's despatch No. 79 of March 28,⁴ copy of which was forwarded to you direct.

¹ The approved draft only of this despatch has been preserved in Foreign Office archives.

² Nos. 377 and 381 respectively.

³ Not printed. See n. 5, below.

⁴ Not printed. In this despatch General Heneker transmitted a copy of a decision (undated) of the Plebiscite Commission which stated: 'Que seront mis à la charge du territoire les dommages résultant des mouvements insurrectionnels de Mai-Juillet 1921.'

2. In order that the principle of the liability of both interested governments to share this expenditure may be established as soon as possible, I request that Y. E. will bring the matter before the ambassadors' conference at an early date and propose that a communication should forthwith be addressed to the German and Polish Govts. in the sense of para. 7 of the enclosed memorandum.⁵

For the Secretary of State
MILES W. LAMPSON⁶

⁵ In this Sir H. Stuart recommended 'that the Conference of Ambassadors should at once inform the German and Polish Governments that the balance of charges for the troops of occupation and for the administration, in which latter will be included the costs of this compensation, will be distributed between the German and Polish Governments in the ratio to be fixed by the Allies, of the wealth of the portions of the territory assigned to each by the fixing of the new frontier, and demand an acceptance of this decision.'

⁶ Head of the Central Department of the Foreign Office.

No. 389

General Sir W. Heneker (Oppeln) to the Marquess Curzon of Kedleston
(Received April 8, 11.50 a.m.)

No. 40 Telegraphic [C 5193/33/18]

OPPELN, April 8, 1922, 2 a.m.

Results of long conversation with de Marinis on situation in Upper Silesia, and delay in bringing allied occupation to an end convinces [*sic*] me that perhaps meeting at Genoa¹ might be used to press forward Geneva convention. Situation here is far from satisfactory, and great nervousness exists, owing to constant rumours of risings. Raid by 60 armed Poles was carried out against Germans south of Gleiwitz three days ago. Marinis agrees with me that many indications point to desire of French to provoke incidents or engineer such a situation that allied occupation must be maintained. Frequently it is my duty in commission to raise and carry with Marinis' help some resolution with object of preventing French activity tending to provoke inhabitants. Polish campaign inciting Poles against Germans has been reported in my despatch No. 73.²

Considering life in this country, which is of such economic importance with its industrial area, cannot settle down until allied occupation ends, I would suggest that Supreme Council at Genoa should urge speedy ratification of Calonder's convention, and, if possible, make a definite pronouncement relative to desire of French as well as British and Italians for early evacuation.

¹ The Genoa Conference met from April 10 to May 19 to discuss methods of European Economic Reconstruction.

² Not printed.

No. 390

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 1055 [C 5193/33/18]

Immediate

FOREIGN OFFICE, April 12, 1922

My Lord,

I transmit to Your Excellency herewith the decypher of a telegram, No. 40 of the 8th instant,¹ from the British representative on the Silesia Plebiscite Commission urging the importance of speedy ratification of the Polono-German economic convention.

2. It appears from Monsieur Calonder's letter of March 25th, of which copy accompanied your despatch No. 874 of April 7th,² that the negotiations for this convention should be completed, and that the text should be ready, about April 20th.³ This being so, it seems doubtful whether much would be gained by taking up General Heneker's suggestion that further pressure should be brought on Monsieur Calonder from Genoa. The situation in Silesia is however gravely disquieting, and a copy of this despatch is accordingly being sent to Genoa for such action as it may be possible to take.

3. According to Monsieur Calonder's above-mentioned letter, the text when completed is to be discussed by the Ambassadors' Conference. There seems however to be no reason why the Conference should subject it to minute or to prolonged examination. What is important is that the German and Polish Governments should be invited to ratify the convention within (say) a week of its receipt by the Conference. You will no doubt see that steps are taken to this end with the least possible loss of time.

4. Copy of this despatch has been sent to General Heneker.

I am, &c.,

(in the absence of the Secretary of State)⁴

S. P. WATERLOW

¹ No. 389.

² Not printed. M. Calonder's letter replying to two letters from the Conference of Ambassadors explained the reasons for the delay in the conclusion of the German-Polish economic convention. The reasons were purely technical.

³ See No. 391 below. For details of these negotiations see *League of Nations, Records of the Third Assembly, Plenary Meetings*, vol. ii, pp. 28-30.

⁴ Lord Curzon was indisposed.

No. 391

Letter from Sir E. Drummond (Geneva) to Mr. Tufton (Received April 26)

[C 6073/123/18]

GENEVA, April 20, 1922

My dear Charles,

Monsieur Calonder has just paid me a visit. He tells me that an agreement has now been reached on all the outstanding points between the German and Polish Plenipotentiaries.

As you know, the two great difficulties were—

- (1) Liquidation of German property in that portion of Upper Silesia which has been allotted to Poland;
- (2) The problem of the protection of the Minorities.

Calonder is very happy that this has happened, since he was most anxious to avoid, if possible, having to give a formal decision on either of these points. I think it is clear that he is right, since now that the two parties have agreed, the responsibility for the settlement rests on them, and this is much more likely to facilitate the passage through the two Parliaments.

Besides the effect in Upper Silesia must be in the direction of peace.

Unfortunately, however, Calonder added that owing to the long negotiations which have taken place on these two points, the Treaty will not be finally ready for signature before the 15th May. Everything has been done to speed up matters, and two separate drafting committees were formed, but even so the 15th May is the earliest date; though from what is said, it is not likely to be later than this.

I feel sure, however, that he was right, and that it was better to take even a few weeks longer over the negotiations, than to impose on the two parties a solution which would certainly have been unacceptable to either the one or the other.

Yours ever,
ERIC DRUMMOND

No. 392

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received April 22, 8.30 a.m.)

No. 226 Telegraphic: by bag [C 5833/91/18]

PARIS, April 21, 1922

My telegram No. 212 of April 14th, section 5, and Your Lordship's telegram No. 143 of April 18th.¹

The plebiscite commission having asked the assistance of the conference to secure the arrest and surrender of persons accused of complicity in the Petersdorf affair,² the conference of ambassadors decided to-day to address a note on this subject to the German ambassador here. The conference felt that it would assist a speedy solution of this affair were the allied ambassadors

¹ In his telegram No. 212, not printed, Lord Hardinge had reported the decision of the Conference of Ambassadors to ask the Silesian Plebiscite Commission whether their assistance 'was required to compel the German government to arrest and surrender' the fugitives suspected of complicity in the Petersdorf affair. Lord Hardinge's action in agreeing to this request was approved in Foreign Office telegram No. 143, not printed.

² In his telegram No. 50 of April 19, not printed, General Heneker transmitted the text of the Commission's reply to the Conference of Ambassadors (cf. n. 1); it requested the Conference of Ambassadors to 'bring pressure on Berlin government to secure handing over of accused'.

in Berlin to support the conference's *démarche*. Copy of the note presented to the German ambassador will accordingly be forwarded to the French ambassador in Berlin.

I should be grateful if Your Lordship could see your way to instructing Lord d'Abernon to concert with his colleagues in urging on the German government the importance of their executing at an early date the request made by the plebiscite commission for the surrender of the individuals in question.³

³ Lord D'Abernon was so instructed in Foreign Office telegram No. 34 of April 22, not printed, and a letter was sent from the Conference of Ambassadors to the German Ambassador at Paris on April 22. In his telegram No. 271 of May 10, not printed, Lord Hardinge reported: 'The German Ambassador in his letter of 27th April indicated that certain legal difficulties might arise in connection with the handing over to the Allied Tribunal in Silesia of the persons accused of complicity in the Petersdorf affair. The Conference approved the text of a note to be addressed to the German Ambassador stating that in view of several precedents, especially that of the assassin of Major Montalègre, the Allies could not admit of the existence of any such legal difficulties.'

No. 393

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received May 26, 8.30 a.m.)

No. 284 Telegraphic: by bag [Confidential/General/199/4]

PARIS, May 24, 1922

The conference of ambassadors met this morning under the chairmanship of Monsieur Jules Cambon and considered the following questions: . . .¹

2. The conference had before it a copy of a report by the legal advisers regarding the recovery of the costs of the armies of occupation and of the plebiscite commission in Upper Silesia. As it is obvious that these expenses cannot be recovered from Upper Silesia itself, as stipulated in the treaty, it becomes necessary to extract an undertaking from the German and Polish governments to guarantee this debt. The conference decided therefore that a note should be addressed to the two governments calling upon them to give this guarantee before the transfer of territory takes place. This note will speak in general terms of the expenses of the commission without going into the question as to the inclusion in these expenses of the compensation to be paid for the insurrection in 1921.² The legal advisers do not consider it necessary to obtain the previous agreement of the two governments to the proportion in which the expenditure is to be divided between Polish and German Upper Silesia (see my telegram No. 212, section 19, of April 14th)³ since the

¹ The section omitted referred to other matters.

² A note in this sense was addressed by the Conference of Ambassadors to the Polish and German ambassadors at Paris on May 24. A copy was transmitted to the Foreign Office under cover of Paris despatch No. 1257 of May 29, not printed.

³ Not printed.

treaty gives the plebiscite commission full power to settle questions of this character. Meanwhile the plebiscite commission has been asked by telegram to furnish the conference if possible with a rough estimate of the total amount which will have to be recovered from the two governments.

3. On the recommendation of the Upper Silesian plebiscite commission it was decided to invite the League of Nations to arrange for the presidents of the Mixed Commission and of the Arbitral Tribunal to convoke these bodies forthwith in Upper Silesia, so that they may be able to assist during the period of the transfer of Upper Silesia to Poland and Germany.⁴

4. The conference considered the German-Polish Convention which has now been concluded under the chairmanship of Monsieur Calonder with a view to carrying out the recommendations of the League of Nations decision. Copy of the convention is enclosed in my despatch No. 1253.⁵ The legal advisers submitted various observations with a view to safeguarding the stipulations of the treaty of Versailles. These observations are likewise enclosed in my despatch No. 1253. The conference decided to inform the two interested governments at once of these observations, and to invite them in one case to correct the text of the convention by means of an exchange of notes, and in the other cases to take official cognisance of the reserves made by the conference of ambassadors with regard to the interpretation of the convention. As soon as the two governments have given satisfactory replies on these points, and as soon as they have ratified the convention, the plebiscite commission will be authorised, in accordance with article 4 of the decision of the allied governments of the 28th October 1921, to notify the German and Polish governments, in accordance with paragraphs 1 and 2 of section VI of annex to article 88, that they are to take over the territories allotted to each of them respectively. . . .⁶

⁴ Cf. No. 402 below.

⁵ Not preserved in Foreign Office archives. In an unnumbered letter of May 22 to Sir C. Hurst, not printed, Mr. Sargent (a First Secretary in the Foreign Office, attached to the Peace Delegation at Paris) transmitted a copy of the economic convention, which had been signed on May 15, together with a copy of the observations of the French, Italian, and Japanese legal advisers.

⁶ The sections omitted referred to other matters.

No. 394

*Lord Hardinge (Paris) to the Earl of Balfour*¹ (Received June 2, 8.30 a.m.)
No. 293 Telegraphic: by bag [Confidential/General/199/4]

PARIS, June 1, 1922

At yesterday's meeting of the Conference of Ambassadors a telegram (copy of which is enclosed in my despatch No. 1294)² was read out from the French Embassy at Berlin reporting that on the recent ratification of the

¹ On May 26 it was announced by the Foreign Office that Lord Curzon had been ordered to rest and that 'Lord Balfour will take over the functions of Foreign Secretary from today'. Lord Curzon returned to the Foreign Office and resumed duties on August 7.

² Not printed.

Germano-Polish Economic Convention by the Reichstag³ protests were made by the reporter of the Foreign Affairs Committee and by the Chancellor⁴ against the Treaty of Versailles and the Upper Silesian decision and that, while approving the Convention, the Reichstag at the same time voted a resolution confirming the declaration made at Geneva by Herr Schiffer,⁵ the German delegate who negotiated the Convention, in which he had protested against the division of Upper Silesia. The French urged that the conference should at once take the matter up on the ground that the resolution of the Reichstag invalidated the German ratification of the Germano-Polish Convention. Marshal Foch likewise intervened, somewhat unnecessarily, and argued in the same sense. Both the Italian Ambassador and myself urged that it would be unwise to attach too much importance to the Reichstag's vote and that it might only be playing into the hands of the pan-Germanists to take official cognisance of the protests which had been made.

The only thing with which the conference were concerned was the formal ratification by the German government which was now assured.

It was finally agreed that the Ambassadors should submit the question to their respective governments for instructions and that the legal advisers who are about to meet in Paris should be consulted as to the juridical value of the Reichstag resolution and of Herr Schiffer's protest when signing the convention at Geneva.

At the time of the meeting I had no knowledge of this protest by Herr Schiffer which had not been communicated to the Conference of

³ On May 30; see No. 395 below, n. 2; cf. *The Times*, May 31, p. 9.

⁴ See No. 396 below. In the debate Dr. Hoetzsch, reporter of the Foreign Affairs Committee, said: 'The committee has, against the votes of three of its members, repeated the legal reservation ('Rechtsverwahrung') against the decision of the Ambassadors' Conference. In the name of the majority of the committee I move that this motion of protest be accepted.' Dr. Wirth, the Chancellor stated: 'It has been a path of suffering which originated in the Peace Treaty of Versailles, which, in their case, has proved itself to be no treaty of peace, but a work of combat and destruction. The Upper Silesian population has shown a patience for which no expression exists which would characterise it fittingly. Certainly, the Upper Silesian population did, on the day when it was to be surrendered by force and without justice into the hands of Poland, under the leadership of brave men, as was its natural right, defend its home soil with arms.' During the debate Herr Schiffer confirmed what he had said at Geneva: 'I have already pointed out in Geneva that it must not be regarded for itself alone, and that I must refuse to allow any conclusions to be drawn, such as that the past is obliterated by the signature of this agreement or in any way influenced by it, or that the protest on a point of justice which was made against the foundation of the treaty has been in any way prejudiced; it still exists as it existed then.'

The debate is printed in *Deutscher Reichsanzeiger und Preussischer Staatsanzeiger*, No. 125, of May 31, 1922.

⁵ Herr Schiffer's protest at Geneva is printed, in part, in the *Monthly Summary of the League of Nations*, vol. ii, No. 5, May 1922, p. 103. The relevant section of the text circulated at the time (see n. 6 below) was as follows: 'La réserve de droit que nous avons formulée contre cette contrainte reste intacte, elle ne saurait être atteinte par la signature que j'apposerai à cette convention. L'idée que ma signature, sous réserve de ratification par la Reichstag, nous approche du jour qui réalisera la cession d'une grande partie de la Haute-Silésie, qui arrachera à la patrie des milliers de loyaux allemands, nous déchire le cœur et ne nous permet pas d'éprouver une vraie satisfaction, un contentement véritable.'

Ambassadors, but I have since found the text in the League of Nations' official report No. 446 of May 15th.⁶

I would point out that the reserve which Herr Schiffer re-asserts is evidently that made at the time of the Upper Silesian decision which I reported in my telegram No. 810 of October 27th 1921⁷ and my despatch No. 2959 of October 28th 1921.⁸ On that occasion the Conference of Ambassadors informed the German government that their protest must be considered as null and void. Although on the present occasion the reserve has not been addressed direct to the Conference of Ambassadors it may be difficult to object to the French proposal that the conference should repudiate it in the same way that they did in October last.

I shall be grateful for early instructions.

Repeated to Berlin.

⁶ In a letter of June 27 to Mr. Lampson, Mr. Tufton wrote: 'As regards the text of the German protest at Geneva I have obtained the annexed copy of a document compiled for the use of the journalists at Geneva, which is numbered 448 but which the Secretariat General tells me is not a League paper at all but a private document. Lord Hardinge referred to this (undoubtedly in error) as "document 446", but I am assured that no such document exists.'

⁷ No. 358.

⁸ See No. 358, n. 1.

No. 395

The Earl of Balfour to Lord Hardinge (Paris)

No. 195 Telegraphic: by bag [C 8033/33/18]¹

FOREIGN OFFICE, *June 6, 1922, 10 p.m.*

Your tel. no. 293² and Berlin Tel. no. 118.³

French Govt are evidently under a misapprehension as to the facts: and in view of Mr. Addison's report which shows that Reichstag did not vote resolution of protest as alleged they can hardly wish to maintain that German ratification of German-Polish Convention has been in any way invalidated, even were we to admit (which we do not) that passing of such a resolution would have had such an effect.

Repeated to Berlin and Oppeln.

¹ The approved draft only of this telegram has been preserved in the Foreign Office archives.

² No. 394.

³ Of June 2, not printed. In this telegram Mr. Addison (H.M. Chargé d'Affaires at Berlin, May 22 to June 27) stated: 'Report of Foreign Affairs Committee did move in obedience to a decision of majority of committee that a motion of protest be accepted but matter was not proceeded with and Reichstag did not vote on this point.'

No. 396

Sir H. Stuart (Oppeln) to Lord Hardinge

No. 21¹ Telegraphic [8240/33/18]

OPPELN, June 6, 1922

Repeated to Foreign Office and Berlin.

Addressed to Paris.

Your telegram unnumbered of June 5th.²

German and Polish plenipotentiaries exchanged ratifications³ of main convention on June 3rd, and have made modifications⁴ desired by Conference of Ambassadors. Nothing remains therefore but ratification of this declaration and undertaking of two governments to assume responsibility for cost of administration and armies.

I share your opinion that notification by commission here may be issued immediately and earnestly hope that you will carry out this.

¹ Repeated as No. 67 of 4.5 a.m. on June 7 to the Foreign Office (received at 12.5 p.m.).

² Repeated to the Foreign Office as Paris telegram No. 306 of June 5, not printed.

³ The Polish ratification on May 24 of the German-Polish economic convention was reported in Warsaw despatch No. 261 of May 26, not printed. The German ratification on May 30 was reported in Berlin despatch No. 420 of May 31, not printed.

⁴ See No. 393, paragraph 4.

No. 397

Lord Hardinge (Paris) to the Earl of Balfour (Received June 8, 8.30 a.m.)

No. 308 Telegraphic: by bag [Confidential/General/199/4]

PARIS, June 7, 1922

The conference of ambassadors held a special meeting this morning under the chairmanship of Monsieur Jules Cambon to consider the question of the evacuation of Upper Silesia:

1. I had understood from Sir H. Stuart's unnumbered telegram to Your Lordship of the 1st June¹ that the deposit of ratifications of the German-Polish Convention had been put off, thereby delaying the measures necessary for the transfer of territory. In the course of the meeting however it appeared that the deposit of ratifications of the convention had taken place after all on the 3rd June, as since reported by Sir H. Stuart in his telegram No. 21 to Paris of the 6th June,² and that the additional declaration had been signed at the same time. In these circumstances it was agreed that the plebiscite commission should be invited forthwith to issue the necessary notification to the German and Polish governments in accordance with section 6 of the

¹ Not printed. In this telegram Sir H. Stuart had stated that the exchange of ratifications due to take place on June 3 would have to be postponed 'owing to demand from Conference of Ambassadors for an addition to the convention'. (See No. 393, paragraph 4.)

² No. 396.

Annex to Article 88 and of Article 4 of the Upper Silesian decision of the 20th October 1921. Text of the telegram which has been addressed to the commission is enclosed in my despatch No. 1353,³ as is also the text of the notification which has been drafted by the legal advisers and which is being telegraphed to the commission. The German and Polish governments are to be informed of the above decision and it will be pointed out to them that while agreeing to the immediate transfer of Upper Silesia the allied governments still consider that the declaration modifying article 1 of the convention should be ratified and annexed to the convention. The League of Nations is being informed of the above decision.

The questions of the disposal of the prisoners and of the responsibility of the German and Polish governments for the cost of administration and armies of occupation still remain to be settled, but the notification is not to be delayed on their account.

2. As regards the disposal of the prisoners upon the withdrawal of the commission, the French recommended strongly that they should be removed to the Rhineland and imprisoned there under the supervision of the Rhineland High Commission. In view of the action taken by Sir H. Stuart in support of this scheme, as reported in his telegram to me No. 20⁴ and repeated to Your Lordship, I undertook to recommend this solution to His Majesty's Government. It was agreed that the allied governments should be requested, if they approved it, to inform their commissioners at Oppeln accordingly, and at the same time instruct their representatives at Berlin to urge the German government to agree to it. I trust that His Majesty's Government may see their way to take this action.

It is recognised that the consent of the German government is required to the removal of the prisoners from Upper Silesia, but the French feel convinced that there will be no difficulty in obtaining this, notwithstanding the objections raised by the German ambassador in London as reported in Your Lordship's despatch No. 1710.⁵ If, on the other hand, the German government do refuse it will always be open to the commission to leave the prisoners in Polish Upper Silesia. The French strongly object to entrusting the German government in any way with the custody of the prisoners, no matter what undertakings may be given. They argue that if these undertakings were subsequently broken it would create a further complication with the German government and produce a demand for 'sanctions' which it is in the interest of all parties to avoid.⁶

³ Not printed.

⁴ This telegram of June 6, repeated as No. 66 to the Foreign Office, is not printed.

⁵ Of June 6, not printed.

⁶ In his telegram No. 20 to Oppeln of June 10, not printed, Lord Balfour informed Sir H. Stuart: 'We are prepared to agree to proposal to transfer prisoners to Rhineland and are instructing His Majesty's Chargé d'Affaires at Berlin accordingly.'

No. 398

Lord Hardinge (Paris) to the Earl of Balfour (Received June 13, 8.30 a.m.)
No. 320 Telegraphic: by bag [C 8443/33/18]

Urgent

PARIS, June 12, 1922

My telegram No. 315.¹

I have since seen Sir Eric Drummond, who considers the German protest made at the signature of the Germano-Polish Agreement to be of considerable importance, since it is being interpreted in Germany to mean that the German government do not consider the partition of Upper Silesia as definite. He recommends that the Conference of Ambassadors should repudiate it and give their reasons for doing so. In these circumstances I propose, if I receive no contrary instructions from Your Lordship, to raise the matter at the next meeting of the conference on the 14th instant, and to suggest that the conference should repeat the declaration which it made last October when it declared the previous German protest null and void (see my despatch No. 2959 of last year).² I think it would be preferable that the conference should adhere to the same procedure as on that occasion and abstain from giving any arguments or reasons for their action.³

I regret that owing to a misunderstanding the legal advisers did not, at their recent meeting, furnish an opinion with regard to the protest made at Geneva.

¹ Of June 10, not printed. Lord Hardinge took note of His Majesty's Government's view with regard to the Reichstag proceedings (see Nos. 394 and 395) but pointed out that action on the formal protest at Geneva remained to be decided.

² Of October 28, 1921, not printed. See Nos. 358, n. 1.

³ In his telegram No. 324 of June 14, not printed, Lord Hardinge reported that the Conference of Ambassadors had 'decided to inform the German Ambassador that the Conference considered as null and void the protest made by Dr. Schiffer'.

No. 399

Mr. Bourdillon (Oppeln) to the Earl of Balfour (Received June 16, 9.15 a.m.)
No. 74 Telegraphic [C 8626/33/18]

OPPELN, June 16, 1922, 3.50 a.m.

German plenipotentiary has been authorized to accept proposal for transfer of prisoners convicted of offences against allied nationals to German prisons under control of Rhineland high commission. He has also agreed to accept judgments of allied special court and to admit right of veto against revision of such judgment[s] being reserved for three allied powers.¹ Agreement concerning transfer of territory has accordingly been signed this evening.

¹ Cf. No. 384.

Notification has therefore also been made this evening to German and Polish governments under article 88 of annex paragraph 6 of treaty that they are free to take over their respective sections of territory. Operations of transfer will commence June 17th and terminate July 9th.

No. 400

The Earl of Balfour to Mr. Addison (Berlin)

No. 56 Telegraphic [C 8626/33/18]

FOREIGN OFFICE, *June 17, 1922, 6.15 p.m.*

Following for Sir H. Stuart:

Telegram from Oppeln reports signature of definite agreement and notification of transfer of territory.¹

I congratulate you heartily on successful issue of your labours. In circumstances, often of particular difficulty and delicacy, you have succeeded in overcoming countless perplexing problems in a manner entirely satisfactory to His Majesty's Government, highly creditable to His Majesty's service, and warmly appreciated.

I beg you to accept my thanks and to convey them to your staff for part they have played in this important achievement.²

¹ No. 399.

² In the *London Gazette* of August 22, 1922, it was announced that Sir H. Stuart had been awarded a G.C.M.G. and General Sir W. Heneker a K.C.M.G.

No. 401

Sir M. Cheetham (Paris) to the Earl of Balfour (Received June 24, 8.30 a.m.)

No. 334 Telegraphic: by bag [C 9038/33/18]

PARIS, *June 23, 1922*

My telegram No. 333, section 1, of the 21st instant.¹

In view of the possibility of the Reichstag refusing to ratify the arrangement for the transfer of Upper Silesian prisoners to the Rhineland, the conference of ambassadors decided this morning to request the allied ambassadors at Berlin to make immediate representations to the German government that should ratification not be effected before the 27th instant, the prisoners will be transferred provisionally to Polish Upper Silesia. Copy of correspondence on the subject is enclosed in my despatch No. 1468 of today's date.¹

¹ Not printed.

General Sir W. Heneker (Oppeln) to the Earl of Balfour (Received June 26)

No. 178 [C 9168/33/18]

OPPELN, June 23, 1922

My Lord,

As stated in my telegram No. 75 of the 20th June¹ the evacuation and transfer of Kattowitz, Kreuzburg and Ober-Glogau proceeded without any incident of importance on the 19th June. I can now add that the transfer of Königshütte to the Polish authorities and that of Leobschütz to the German authorities took place in the course of yesterday, also without incident.

The transfer of the railway and postal administration in the whole of each section of the area to the Polish and German Administrations had been effected on the 18th June, the commission retaining a general control over these services until its departure.

On the same day Polish and German customs officials took up their posts on the respective sides of the new frontier. The postal and railway services on the German side of the new frontier are functioning normally, but those on the Polish side are working very irregularly.

On the 20th June Polish troops officially entered the town of Kattowitz, where they were received by a guard of ex-insurgents, who presented General Szeptycki with a massive sword as a symbol of the handing over of the town.

In Kreuzburg it had been arranged, as elsewhere, that the German flag should be hoisted and saluted after the Allied flags had been hauled down. It was found, however, that the German authorities had provided no republican flag and that only the old Imperial flag was available. The Controller, Major Cassels, therefore ordered that the ceremony should terminate with the lowering of the Allied colours. It is reported that the Imperial flag was hoisted after the Controller's departure. German Socialist newspapers have protested against what they conceive to be a deliberate repudiation of the republican flag.

Slight disturbances are reported from Mikultschütz in the south-west corner of Kreis Tarnowitz and the adjoining village of Borsigwerk in Kreis Hindenburg, but there appears to be no reason to anticipate serious trouble before these areas are handed over.

As Your Lordship has already been informed, the programme for the further evacuation of the area is as follows:

June 25, Sunday: Rosenberg, Lublinitz.

June 28, Wednesday: Cosel, Pless.

July 3, Monday: Ratibor, Rybnik, Gleiwitz, Tost-Gleiwitz, Beuthen, Tarnowitz, Zabrze.

July 8, Saturday: Gross Strehlitz.

July 9, Sunday: Oppeln.

¹ Not printed.

On the 21st June M. Calonder and Dr. Kaeckenbeck² were formally installed by the Polish and German Plenipotentiaries at Kattowitz and Beuthen, respectively, in their offices as Presidents of the Mixed Commission and the Mixed Arbitral Tribunal set up under the German-Polish Convention of the 15th May, 1922.

Copies of this despatch are being forwarded to His Majesty's representatives at Paris, Berlin and Warsaw.

I have, &c.,
W. HENEKER

² A Belgian lawyer and member of the Secretariat of the League of Nations appointed as Chief Justice of the Arbitral Tribunal at Beuthen.

No. 403

General Sir W. Heneker (Oppeln) to the Earl of Balfour
(Received June 28, 11 a.m.)

No. 79 Telegraphic [C 9278/33/18]

OPPELN, June 27, 1922, 11.10 a.m.

Commission have been notified that the agreement on the subject of transfer of the political prisoners to the Rhineland has been now approved by the Reichsrath and the Reichstag. Therefore arrangements are being made for the transfer.

Transfer of the territory is proceeding satisfactorily.

Districts of the Rosenberg, Lublinitz, Polish part of Tarnowitz, and Beuthen were duly handed over on June 25th without any incident of importance.

No. 404

Sir M. Cheetham (Paris) to the Earl of Balfour (Received July 3, 8.30 a.m.)

No. 349 Telegraphic: by bag [Confidential/General/199/4]

PARIS, June 30, 1922

The conference of ambassadors met this morning under the presidency of Monsieur Jules Cambon, the Belgian ambassador being also present, and considered the following questions:

1. According to the Upper Silesian plebiscite commission there will be a sum of 200,000¹ paper marks in the local exchequer on the withdrawal of the commission. The commission propose to divide this sum between the three allied governments on account of their military expenditure. The conference decided that the commission, on its withdrawal, should keep possession of

¹ This figure should read 200,000,000 as given in General Heneker's telegram No. 78 of June 23, not printed.

this sum but that its division between the allied governments should be reserved for a future decision. . . .²

4. When in 1920 a bit of Upper Silesia which, according to the treaty, had to be transferred definitely to Czechoslovakia, was detached from Upper Silesia and handed to Czechoslovakia, it was definitely stipulated that these three communes³ should for the time being remain in Upper Silesia i.e. in Germany, until the conference of ambassadors should arrive at a definite decision (see Lord Derby's telegram No. 803, paragraph 12 of July 7th, 1920).⁴ The reason for this was that the three communes in question protested loudly against being handed over to Czechoslovakia as proposed by the boundary commission and their protests were considered to be of sufficient force to entitle the conference to suspend the proposal of the boundary commission. The Upper Silesian plebiscite commission have now decided, unless they are instructed to the contrary, to hand over these communes provisionally to Germany pending a final decision by the new German-Czechoslovak boundary commission which is to revise the whole of this frontier (see Lord Hardinge's telegram No. 117, paragraph 10 of March 1st).⁵ Both the Italian ambassador and myself were in favour of this course but the French government argued that they should be handed over to Czechoslovakia, thereby prejudicing in advance the decision of the new boundary commission who will most probably allocate the communes to Germany. Fortunately the conference did not discuss the question in time to give any instructions to the plebiscite commission who by this time will have handed over the communes to Germany. It was agreed that the conference should make it clear to the German government that this transfer is merely provisional and should at the same time press them to appoint their delegate on this boundary commission at once, so that it may commence its work without delay. . . .²

² The sections omitted referred to other matters.

³ i.e. Pytsch, Owschutz, and Haatsch. ⁴ Not printed. See Vol. XI, No. 22, n. 3.

⁵ Not printed. The telegram had stated: 'In continuation of the decision reported in my telegram No. 833 of July 20th 1920, section I [see Vol. XI, No. 22], it was decided on the advice of the geographical committee that a German should be substituted for the Polish member on the Polish-Czechoslovak boundary commission, and that this commission should review the new frontier as already demarcated between Upper Silesia and Czechoslovakia.'

No. 405

Lord Hardinge (Paris) to the Earl of Balfour (Received July 10, 2.45 p.m.)
No. 362 Telegraphic [C 9854/33/18]

Urgent

PARIS, July 10, 1922, 2 p.m.

According to a decision of Supreme Council taken at Paris on August 10th¹ 1921 the High Commission from Upper Silesia should on evacuation of that province, establish itself with its officials in Paris to draw up a report of work

¹ This decision was taken on August 13. See Vol. XV, No. 103, minute 3 and Appendix 3.

of commission and to settle with financial experts certain financial questions pertaining to Upper Silesia.

Italian ambassador on instructions from his government intends to raise question at conference of ambassadors on Thursday² and to oppose constitution of a new body in Paris with a large number of officials and clerks to draw up a report which is not absolutely essential and to do financial work which can well be done by financial commission already in existence. Such a body would entail very heavy expenditure which would have to be met by England France and Italy while work would be indefinitely spread out and might last even a year or more.

I propose to support Italian ambassador unless I receive instructions to the contrary from Your Lordship.³

² i.e. July 13.

³ Lord Hardinge's attitude was approved in Foreign Office telegram No. 223 to Paris of July 10, not printed.

No. 406

Sir M. Cheetham (Paris) to the Earl of Balfour (Received July 18)
No. 376 Telegraphic: by bag [C 10286/33/18]

PARIS, July 17, 1922

6.¹ The French Government submitted a Memorandum (copy of which is enclosed in my despatch No. 1675)² regarding the attacks which had been committed against French and Allied soldiers during the evacuation of Upper Silesia. I informed the Conference that I could not agree to the comprehensive representations to the German Government that were contemplated in this Memorandum without instructions from Your Lordship. I felt however that you would agree to the desirability of an early dissolution of the Selbstschutz and I was prepared to agree to immediate instructions being issued to General Nollet to insist on the dissolution of this body and to take the necessary measures for destroying their arms. It appears that General Nollet has already addressed urgent representations in this sense to the German Government and the instructions from the Conference will consequently be of a nature merely to strengthen his hand. I shall be glad to receive Your Lordship's instructions on the remaining points raised in the Memorandum. I venture to think that there can be no objection to a Note being written to the German Government pressing for indemnities to the families of the victims and for the taking of active steps to trace and arrest the authors of the various outrages. It will be necessary to exercise considerable care in drawing up this Note in order to avoid the Germans replying that many of the outrages were reprisals for provocative acts on the part of French soldiers. I shall be glad to receive Your Lordship's instructions at an early date.

¹ The sections omitted referred to other matters.

² Of July 17, not printed.

Sir M. Cheetham (Paris) to the Earl of Balfour (Received July 28, 8.30 a.m.)

No. 394 Telegraphic: by bag [C 10721/33/18]

PARIS, July 26, 1922

The conference of ambassadors met this morning under the chairmanship of Monsieur Jules Cambon, the Belgian ambassador being also present, and considered the following questions:

1. General le Rond, president of the late Upper Silesian plebiscite commission, made a statement to the conference in order to point out various difficulties with regard to the decision reported in my telegram No. 376 of July 17th, Section 5,¹ whereby the commission has been dissolved and the settlement of the accounts of the commission has been entrusted to the financial committee of the conference of ambassadors. He pointed out that the agreement concluded by the commission with the German and Polish governments on the 15th June for the transfer of Upper Silesia, required the continued existence of the commission, since it lays down that outstanding pecuniary claims (*questions contentieuses*) can be sent in up to the 15th September for settlement by the commission. Again, as regards the settlement of the commission's accounts, according to the decision of the Supreme Council of the 13th August 1921,² and the note from the conference of ambassadors to the German and Polish Governments of the 24th May, enclosed in Lord Hardinge's despatch No. 1257,³ the commission is specifically entrusted with the task of drawing up and presenting the final bill. The preparation of these accounts, moreover, will require a continuation of negotiations which the commission has already undertaken with the German Government for the recovery of certain Upper Silesian revenues, such as railway receipts, which the German Exchequer ought to pay over to the Upper Silesian commission. Lastly, General le Rond explained that in order to complete this financial work of the commission a minimum number of the officials of the commission has been retained and [these] have, I understand, been paid in advance until the 1st September.

The conference was not prepared to reconsider its decision to wind up the plebiscite commission forthwith, but it agreed, on the suggestion of the Italian ambassador, that the financial officials who have been retained by the commission shall be attached to the financial committee of the conference in order to enable the latter to deal both with the commission's accounts and the outstanding financial claims. It is to be clearly understood, however, that no further expenditure is to be incurred on account of their continued employment. On the other hand, the conference is to give each of the High Commissioners new and personal powers for a specified period, which will enable them to take action in any case when the conference considers that, in view of the undertakings given,

¹ Not printed.

² See Vol. XV, No. 103, minute 3 and Appendix 3.

³ See No. 393, n. 2.

the requisite action ought to be taken by the plebiscite commission were it still in existence. Draft instructions to this effect to the three ex-Commissioners are to be submitted to the conference at its next meeting.

In the meanwhile I shall be glad if the British financial officials whose services have been retained by General Heneker, could be instructed to communicate at once both with this Embassy and with Colonel Warburton, the British member of the financial committee of the conference of ambassadors, whose address is General Headquarters, Cologne. . . .⁴

4. The German Government, in a further note, copy of which is enclosed in my despatch No. 1749,⁵ on the subject of the division between the German and Polish Governments of the costs of the Plebiscite Commission and the Armies of Occupation in Upper Silesia (see Lord Hardinge's telegram No. 324 of June 14th, section 5)⁶ agree to accept the decisions to be taken by the Upper Silesian Plebiscite Commission on this subject, but repeat their reserves with regard to the inclusion in the costs of administration of the compensation to be paid for damage caused by the insurrection. At my suggestion it was decided, in acknowledging this note, to reassert the view of the Conference and to state clearly that in no circumstances would the allied Governments assume any responsibility for the cost of such compensation. They make a further reserve to the effect that payment of the German Government share of the Upper Silesian expenditure must rank after reparation and other payments. The Reparation Commission may have to be consulted on this point. . . .⁴

⁴ The sections omitted referred to other matters. Section 4 is taken from file C 10724/33/18.

⁵ Of July 26, not printed.

⁶ Not printed.

No. 408

The Earl of Balfour to Sir M. Cheetham (Paris)

No. 2377 [C 10744/33/18]

Urgent

FOREIGN OFFICE, *July 29, 1922*

Sir,

I have received your despatch No. 1675¹ and section 6 of your telegram No. 376² in which you report the submission to the Ambassadors' Conference of a French memorandum proposing

(a) that the Ambassadors' Conference should instruct the military control commission to insist on the immediate dissolution of the Selbstschutz in Upper Silesia and upon the destruction of their arms;

(b) that the Ambassadors' Conference should summon the German Government to 'find and to punish in exemplary fashion those responsible' for the thirteen incidents mentioned in the French memorandum of July 8th;

(c) that enquiries should again be made of the German Government respecting the effect given to the demands made by the Conference as the result of the Petersdorf incident.

¹ See No. 406, n. 2.

² No. 406.

2. I am in complete agreement with the instructions issued to General Nollet by the Conference on the subject of the dissolution of the Selbstschutz and the destruction of their arms.

3. The question of the representations which the French Government propose should be made to the German Government respecting the incidents which occurred during the evacuation of Upper Silesia is, however, less easy. Whilst His Majesty's Government share the view of the French Government that representations might suitably be made to the German Government by the Conference in all cases where it can be definitely demonstrated that outrages were in fact committed by German nationals it is evident that the various cases will have to be carefully investigated before any communication is addressed to the German Government on this matter. The enclosed note by Major General Sir W. Heneker³ makes it clear that, in the majority of cases, the German Government might with some show of reason contend that the incidents were not unprovoked and it is possible that if this aspect of the situation can be put before the French Government in such a way as not to offend their susceptibilities they might agree that it would be wiser to leave alone certain cases the discussion of which might involve argument with the German Government as to where responsibility for the disturbances really lay.

4. In these circumstances it has occurred to me that it is in the general interest that Sir W. Heneker should himself proceed to Paris in order that you may have the benefit of his advice and assistance in the approaching discussion. A telegram containing a suggestion to this effect was to-day despatched to you accordingly⁴ and, as stated therein, I shall be glad to be informed by telegraph of the date on which General Heneker should proceed.

5. As regards the third point raised by the French Government viz., the effect given by the German Government to the Conference decision arising out of the Petersdorf incident, it would seem preferable that before any further representations on this matter are addressed to the German Government the exact stage which it has now reached should be ascertained from the allied ambassadors in Berlin. A copy of an enquiry which has been addressed to Lord D'Abernon on this subject is enclosed.⁵

I am, &c.,

(For the Earl of Balfour)

ALEXANDER CADOGAN⁶

³ Not printed. ⁴ Foreign Office telegram No. 248 to Paris of July 28, not printed.

⁵ Foreign Office despatch No. 1219 to Berlin of July 29, not printed. Lord D'Abernon transmitted to the Foreign Office, under cover of his despatch No. 622 of August 5, a note handed to him by the State Secretary in the German Ministry of Foreign Affairs regarding the search for the persons responsible for the Petersdorf incident. This stated that at the date on which Upper Silesia was taken over, the fugitives 'were then either still in the Plebiscite Area or had fled abroad under false names and with false identity papers. It was impossible for them to travel out under their proper names since then (as even now) all Germany's frontier stations were informed of the names of the persons implicated in the Petersdorf incident in order that they might arrest them.'

⁶ A member of the Central Department of the Foreign Office.

The Earl of Balfour to Sir M. Cheetham (Paris)

No. 2386 [C 10334/33/18]

FOREIGN OFFICE, *July 31, 1922*

Sir,

I have received your despatch No. 1674 of July 17th,¹ enclosing a letter from the president of the ambassadors' conference to the president of the Upper Silesian Commission relating to the dissolution of the Commission and the final liquidation of its accounts.

2. I observe with approval that the conference have decided that the commission is dissolved as from July 17th, 1922. Under the terms of the decision however the former plebiscite commissioners must agree with the financial committee of the conference upon the nomination of certain of the former plebiscite commission officials, whose duty it will be to assist the financial committee (a) to audit the plebiscite commission's accounts and (b) to study the basis upon which the expenses of the interallied administration of Upper Silesia are to be divided between Germany and Poland.

3. Sir Harold Stuart proposed to nominate Mr. Trentham, senior British official in the Finance Department of the commission, and Mr. Shepherd, a clerical assistant.

4. I request that you will inform General Le Rond and General de Marinis of these nominations and report whom they are themselves nominating on behalf of the French and Italian sections of the commission.

5. With reference to the conference decision regarding the basis upon which the cost of the interallied administration should be divided between Germany and Poland, you should urge the conference to give the German and Polish governments in the first place an opportunity of reaching an agreement in this matter themselves, such a settlement being from every point of view preferable to a solution imposed by the Conference on the two governments. I understand from Sir H. Stuart that the German and Polish plenipotentiaries at Oppeln have already discussed the matter and that the difference between them is small.

I am, &c.,

(For the Earl of Balfour)

MILES W. LAMPSON

¹ Not printed.

No. 410

*Sir M. Cheetham (Paris) to the Earl of Balfour (Received August 4)*No. 403 *Telegraphic: by bag* [C 11071/33/18]PARIS, *August 2, 1922*

7.¹ Before the meeting I had the advantage of discussing with General Heneker, in the light of Your Lordship's despatch No. 2377² of July 29th,

¹ The sections omitted referred to other matters.² No. 408.

the French proposal that representations should be made to the German Government with regard to various attacks committed on French soldiers in Upper Silesia, and I was able to arrange with Monsieur Cambon that he should propose at the meeting that a special committee composed of the former Allied Commission in Upper Silesia should be set up to investigate each of the cases mentioned in the French memorandum. This was agreed to at the Conference, and it will therefore be necessary for General Heneker to return to Paris at some future date which has not yet been fixed, in order to sit on this Committee. I had made it clear to Monsieur Cambon that before agreeing to any representations to the German Government, I would have to insist that each case should be carefully investigated. This in practice might involve setting up a German-Allied Court of Enquiry in Upper Silesia, which would give the German Government an opportunity of putting forward counter-claims and accusations against the French troops and officials. It was therefore, I believe, largely with the idea of shelving the question that Monsieur Cambon proposed that the question should be referred to a committee in Paris. Although this Committee will obviously not have the means of sifting the evidence in each case, it is hoped that by the time it submits its report, public interest in the question will have sufficiently subsided as to enable the French Government not to press the matter any further.³

The payment of pensions on behalf of murdered and wounded soldiers will be settled by the Financial Committee when they go into the accounts of the Plebiscite Commission.

No mention was made with regard to further representations to the German Government relative to the Petersdorf incident, but on the other hand it was decided to instruct the Military Commission of Control to take immediate measures for the dissolution of the Selbstschutz in Upper Silesia.

³ In a memorandum dated August 3, Mr. Lampson reported that on his return from Paris, General Heneker had stated that 'If the Commission is ever constituted . . . [he] had little doubt that he and Le Rond could get together and put up something of a more or less harmless nature which could without danger be presented to the German Government.'

No. 411

Letter from Mr. Sargent (Paris) to Mr. Cadogan (Received September 1)

[C 12393/33/18]

PARIS, August 31, 1922

Dear Cadogan,

Many thanks for your letter of the 29th August regarding the ex-Commissioners of the Upper Silesian Commission.¹

The instructions to the three Commissioners which were contemplated in our telegram No. 394 of July 26th, section 1,² were as a matter of fact never drafted, as it was subsequently decided that it was sufficient for a letter to be

¹ Not traced in the Foreign Office archives.

² No. 407.

addressed to General Lerond communicating to him the resolutions of the 17th and 26th July. Copy of this letter was sent you in our despatch No. 1863 of August 8th.³

As regards the proposal now made by General Lerond that Sir Harold Stuart should come to Paris on the 5th September, I have consulted the Secretariat General and find that they know nothing about General Lerond's arrangements which is not surprising as he is hardly on speaking terms with the Ministry. The Secretary [*sic*] General doubt very much whether there will be anything for the ex-High Commissioners to do as early as the 5th, which I believe is the date on which the Financial Committee is going to meet and begin the work of clearing up the Upper Silesian finances. In any case *they agree that the resolution of the 26th July is so worded that the ex-High Commissioners can only take action on the strength of a further decision of the Conference of Ambassadors* since, in the words of the resolution, the powers of the ex-High Commissioners are prolonged *to the extent and for the period* which the Conference shall consider necessary. The Secretariat General frankly acknowledge that General Lerond is going to try to extend and prolong the powers of the ex-Commissioners by every means at his disposal, although the action they have still got to take is purely formal, all the real work being done by the Financial Committee. As it is therefore most undesirable that we should play into his hands, I have arranged with the Secretariat General that Sir Harold Stuart need not come to Paris until he hears from this Embassy that the Conference of Ambassadors requires his presence. In the meanwhile, I would suggest that he should reply to Lerond that, as he has received no such request from the Conference on the present occasion, he does not propose to come to Paris on the 5th September.

As an example of the efforts which are likely to be made to protract the winding up of the Plebiscite Commission, the Secretariat General tell me that they have just received from Upper Silesia a telegram to say that the pecuniary claims which were to be submitted before the 15th September cannot now be submitted before the end of the year. It is a question whether we ought not to reply straight away that in that case, no claims presented after the 15th September will be considered, as we cannot keep the accounts open beyond the end of the year. But this is a matter on which we shall have to consult Trentham and Warburton.

Although the duties of the ex-High Commissioners as regards financial matters are likely to be purely formal, there still remains the more important question with which they will have to deal, namely the examination of the incidents which occurred on the evacuation of Upper Silesia. As reported in our telegram No. 403 of August 2nd section 7,⁴ the ex-High Commissioners are to submit a joint report on these incidents, and it is just possible that General Lerond intends to deal with this question rather than with the financial matters at the meeting of the 5th September. I take it that for this work the British representative will be General Heneker, who was Acting High Commissioner at the time of the evacuation, and not Sir Harold Stuart

³ Not printed.

⁴ No. 410.

who was absent at the time. On this assumption I sent General Heneker a copy of the Note from the Conference of Ambassadors to Lerond on this subject and suggested that he might think it desirable to make the necessary arrangements direct with the latter. I am sorry to see that we omitted to send at the same time, a copy of this Note to the Foreign Office. It is now being sent to you in our despatch No. 2028.⁵

Yours ever,
ORME SARGENT

⁵ Not traced in the Foreign Office archives.

No. 412

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received September 11)

No. 714 [C 12749/33/18]

BERLIN, September 4, 1922

My Lord Marquess:

I have the honour to report that a referendum in German Upper Silesia took place on the 3rd of September. The alternatives upon which the vote was taken were:

- (1) Should Upper Silesia become an autonomous State within the Federation; or
- (2) Should she retain her present status as an autonomous province of Prussia?

A majority of about 90% in favour of the second solution was recorded. Between 70 and 75% of the electors voted.

I have, &c.,
D'ABERNON

No. 413

Record by Mr. Lampson of a conversation with the German Chargé d'Affaires
[C 12547/33/18]

FOREIGN OFFICE, September 4, 1922

By instructions from his Government Herr Dufour [Dufour-Feronce] today read to me the gist of a long statement regarding certain alleged shootings etc. of German subjects by the French during the evacuation of Upper Silesia. He showed me a list which gave the names of 31 killed and 17 wounded.

I said that I must tell him frankly that his Government were making a great mistake in starting any accusations of this sort. It would naturally lead to recriminations and I could tell him that it was only due to our influence that the French had not already filed a formidable claim against the German

Government for precisely similar causes. If the German Government had made a similar communication to the French Government the inevitable result would be that the French would bring forward their charges and we should be in for an interminable series of charges and counter-charges which would benefit nobody. We here had hoped that the Upper Silesian incident had been safely disposed of: it seemed to me, if I might be quite frank, that the German Government had blundered badly in putting in these accusations against the French.

I gathered that he shared my view but he pointed out that he was merely acting on his instructions. In any case he had only been told to make a verbal statement and he would prefer not to send us anything in the nature of an *aide mémoire* unless I wished to press for it. I replied that I certainly did not intend to press for anything of the kind.

It will be remembered that it was only with considerable difficulty that we succeeded in holding the French back over this.¹ I fear that this blunder on the part of Germany will reopen the whole tiresome business.

M. W. LAMPSON

¹ See No. 410.

No. 414

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received September 9)

No. 458 Telegraphic: by bag [C 12707/33/18]

PARIS, September 8, 1922

Sir Milne Cheetham's telegram No. 394 of July 26th (section 1).¹

French secretary of Ambassadors' Conference proposes meeting in Paris at early date of Upper Silesian ex-Commissioners and asks that Sir Harold Stuart or a representative may be requested to attend it. General Le Rond is in Paris.

I should be glad to know as soon as possible whether this is considered desirable, especially in view of fact that General Le Rond, apparently on ground of Conference of Ambassadors' decision of July 26th,² has resuscitated Commission in its old form. (Please see Mr. Sargent's letter to Mr. Cadogan of August 31st³ and Mr. Trentham's letter to Mr. Bourdillon of September 7th.)⁴

¹ No. 407.

² See No. 407, section 1.

³ No. 411.

⁴ Not printed.

No. 415

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received September 12, 8.20 p.m.)

No. 461 Telegraphic [C 12906/33/18]

My telegram No. 458.¹

PARIS, September 12, 1922, 6 p.m.

I was told at Ministry for Foreign Affairs this morning that General le Rond and General Marinis were here waiting arrival of Sir H. Stuart to sign certain documents connected with claims for compensation incurred through attacks on allied soldiers in Upper Silesia. His presence or that of a representative would be necessary only for one or two days and I was asked to press for early arrival of Sir H. Stuart or a properly qualified representative.

¹ No. 414.

No. 416

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 296 Telegraphic: by bag [C 12707/33/18]

FOREIGN OFFICE, September 12, 1922

Your telegram No. 458¹ (of September 8th. Meeting of Upper Silesia Commissioners in Paris).

We agree with Sir H. Stuart in thinking any meeting of commissioners would be useless until finance committee of ambassadors' conference, to whom commission's financial experts are attached, have notified conference that the questions at issue are ready for consideration by commissioners.² Ambassadors' conference would then presumably notify three commissioners date on which they should meet in Paris in accordance with conference decision of July 26th, see Sir M. Cheetham's telegram No. 394³ section 1.

Earliest date for commissioners' meeting would therefore seem to be early in October.

¹ No. 414.

² Sir H. Stuart had written in this sense to General Le Rond on September 8.

³ No. 407.

No. 417

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 297 Telegraphic: by bag [C 12902/33/18]

FOREIGN OFFICE, September 12, 1922, 6 p.m.

Upper Silesia Commission.

It appears from letter of September 9th from Trentham to Bourdillon,¹ that French and Italian commissioners are holding meetings purporting to

¹ The reference is presumably to Mr. Trentham's letter of September 7, not printed. Cf. No. 414, n. 3.

represent commission. This is surely contrary to explicit terms of Ambassadors decision of July 26th (your telegram No. 394),² and in the absence of a British representative, we cannot agree to be bound by any decisions taken at these meetings, which seem to us irregular unless called by the ambassador[s.] Pending such convocation, finance committee of conference, together with experts attached to it, is alone competent to deal with these matters.

Please inform Trentham and do what you can to expedite finance committee's work.

² No. 407.

No. 418

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 2999 [C 13769/33/18]

Urgent

FOREIGN OFFICE, October 2, 1922

My Lord,

With reference to Your Excellency's despatch No. 2189 of 20th September,¹ I understand that at the meeting of the Conference of Ambassadors which is to take place on Wednesday next,² a resolution will be passed deciding that the powers of the Upper Silesian commissioners shall be revived.

2. It is suggested that the date of the first meeting of the commissioners should be October 6th, which will give time for the Conference resolution to be communicated to the Foreign Office, and for Mr. Bourdillon, who is to attend the meeting in place of Sir H. Stuart, whose health does not permit him to do so, to obtain his final instructions and leave for Paris on October 5th.

3. I understand from Mr. Trentham, who is on a visit to London, that it is likely that a proposal will in due course be made that the powers of the Upper Silesian commissioners (if renewed by the Conference) should be extended beyond the date fixed in the resolution of the Conference of July 26th, viz., 15th October.

4. The period which will elapse before the liquidation of the financial affairs of the Upper Silesian Commission can be finally concluded is still uncertain. The matters still to be dealt with are:

A. The decision of claims against the Commission and allied forces. These claims, which are to be presented by a joint Germano-Polish committee, have not yet been received in Paris, and it is understood that there may be long delay in presenting them.

B. The settlement of a few details of internal administration, the most important of which is the closing of the Commission's accounts relative to salaries, etc. These matters can, it is thought, be settled by the Commission in one, or at most two, sittings. There seems no reason why the accounts should not at once be closed so far as the information is available, leaving

¹ Not printed.

² i.e. October 4.

any few items that may be still outstanding to be settled by the finance committee of the Conference of Ambassadors with the assistance of the financial officials of the Commission.

C. The completion of the accounts of Upper Silesian revenue and expenditure. On this point information is still awaited from Germany.

D. The fixing of the amount to be required from Germany under the category of revenue attributable to Upper Silesia but collected in Germany outside the plebiscite area.

E. The fixing of the proportion of the total deficit on the administration of Upper Silesia to be severally paid by Germany and Poland.

5. Questions 'D' and 'E' are matters which the commissioners could easily hand over with their recommendation to the Conference of Ambassadors or its financial committee, should they now be unable to agree on them.

6. These questions, particularly 'B' and 'C', on which necessary information is still not available and may not be received for some weeks, might lead to a protraction of the life of the Commission considerably longer than that contemplated by the decision of the Conference of Ambassadors of July 26th. Further it seems probable that General Le Rond will try to prolong the life of the Commission beyond what is essential. It will thus be most desirable that the British representative should be able to appeal to a definite Conference decision in order to prevent the Commission dragging on indefinitely.

7. It is therefore important (a) that when the powers of the commissioners are renewed on Wednesday next they should be renewed for a definite period not extending beyond the 15th October; (b) that the resolution renewing them should state that after the expiry of this period all outstanding matters should be handed over entirely to the Conference of Ambassadors, which could obtain the assistance, if necessary, of the financial advisers already attached to its financial committee; (c) that it should at the same time be made clear that at the end of the period of renewal all balances in hand, including those left over from the advances made by the German and Polish Governments, should be handed over to the financial committee of the Conference of Ambassadors, and that the drawing of cheques on these balances should cease.

8. Sir Harold Stuart has been consulted and is in full concurrence with the above proposals. I request therefore that you will endeavour to secure a decision of the Conference of Ambassadors to the above effect at their next meeting on Wednesday. In support of this proposal you should urge that the outstanding matters are almost exclusively financial, that the financial advisers are fully qualified to advise the Conference and its financial committee on all points that may arise, and that there is no justification for incurring further expenditure for the salaries of the commissioners.

I am, &c.,

(For the Secretary of State)

ALEXANDER CADOGAN

No. 419

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received October 6, 8.30 a.m.)

No. 501 Telegraphic: by bag [Confidential/General/199/4]

PARIS, October 4, 1922

The Conference of Ambassadors resumed its meetings to-day under the chairmanship of Monsieur Jules Cambon, the Belgian Ambassador being also present, and considered the following questions:

1. I raised the question of the unauthorised proceedings of Generals le Rond and Marinis with regard to the winding up of outstanding Upper Silesian questions, and pointed out that any decision they had taken would have to be confirmed by a duly authorised meeting of the ex-High Commissioners. On the other hand the Chairman of the Financial Commission of the Conference of Ambassadors submitted a note, copy of which is enclosed in my despatch No. 2328 of to-day's date,¹ explaining the necessity for a formal meeting of the ex-High Commissioners. I agreed that a meeting should be held on the 9th instant and that the ex-High Commissioners should examine, and if thought desirable confirm, any decisions taken by the French and Italian ex-Commissioners since July 17th. I also proposed in accordance with Your Lordship's despatch No. 2999 of October 2nd,² that the provisional powers conferred on the ex-High Commissioners should be transferred absolutely to the Conference of Ambassadors as from the 15th October and the German and Polish Governments should be notified accordingly. The French, who had wished the meeting of the ex-high commissioners to be held on the 5th October urged that ten days should be allowed to elapse between the meeting and the expiry of the ex-commissioners' powers. It was accordingly agreed that the latter should be extended to the 19th October after which date they will be formally transferred to the conference in accordance with my proposal. Lastly, it was agreed to instruct the financial commission to make the necessary arrangements for the immediate transfer to the conference of ambassadors of all moneys held by the Upper Silesian Commission at the date of its dissolution on July 17th. . . .³

¹ Not printed.

² No. 418.

³ The sections omitted referred to other matters.

No. 420

Mr. Bourdillon to the Marquess Curzon of Kedleston (Received October 31)

No. 201¹ [C 14971/33/18]

My Lord Marquess:

FOREIGN OFFICE, October 31, 1922

I have the honour to forward herewith copies of the final report of the ex-Commissioners of the Upper Silesian Commission addressed to the Conference of Ambassadors under date 19th October, 1922.² This report is a continuation

¹ In Oppeln Series.

² Not printed.

of a note addressed to the Conference by the Commission on 16th September, a copy of which was forwarded to Your Lordship from Paris with despatch No. 2189, of 20th September.²

In accordance with the decision taken by the Conference of Ambassadors on 4th October,³ the ex-Commissioners met on the 9th October and at various dates up to and including 18th October, the day of their final sitting.

On the 11th October, in consequence of doubts which had been expressed as to the legality of the Commission's previous meetings, and as to the ex-Commissioners' right to pay salaries from Upper Silesian funds, these matters were brought up again before the Conference of Ambassadors, which passed resolutions giving the approbation of the Conference to the payment of salaries up to 1st September, and requesting the ex-Commissioners to proceed with the other business which they had previously commenced.

These resolutions appeared sufficiently to regularise the previous action of the French and Italian Commissioners, and I accordingly agreed, with slight modifications, to the action previously taken by them.

In the report forwarded herewith two points call for some additional observations.

The Commission was unable to complete the calculation of the deficit on the administration of the area while under its control, as the necessary documents had not yet been received from the German Government, and it was left to the Finance Committee of the Conference of Ambassadors to fix the deficit and demand its payment.

The Commission did, however, agree on the proportion of the deficit which it considers should be demanded from Poland and Germany respectively. They further agreed that a milliard of marks should be demanded from Germany before the deficit is divided between the two parties. This sum represents approximately the amount of revenue attributable to Upper Silesia, but collected in other parts of Germany and so lost to the area during the period of occupation.

This sum to be demanded from Germany, to which the French give the name of 'ristourne', was arrived at by a calculation, of which the general lines are described in Appendix No. 3 to the Commission's report. It should, however, be noted that the sum represents merely a paper mark debt by Germany, as no notification was ever given to the German Government that the demand would be made for it. Consequently I think it cannot legally be maintained, as I rather gathered the French would like to maintain, that the amounts payable by Germany can be demanded from her in dollars, francs, or sterling, at the rates current month by month during the occupation. It would thus be manifestly unfair, even if it could be legally defended, to ask Germany to pay now a mark debt (supposed to have been contracted say in 1920) at its value in 1920, or in any other currency calculated at the 1920 rates; seeing that the Allies gave no intimation to Germany that this debt would be claimed, and that Germany was thus prevented from paying it in 1920 or setting aside the requisite sum of marks to meet it.

³ See No. 419.

A note is attached as Appendix 'B'⁴ giving particulars of the basis on which the ratio of 40 : 60 was considered by the ex-Commissioners to be the most satisfactory for dividing the deficit between the Polish and German Governments.

It should be observed that the deficit on the Upper Silesian administration is mainly made up of the sums due to the British, French and Italian Governments for the maintenance of the troops of occupation. Apart from the cost of upkeep of barracks and certain other minor local expenditure, the cost of the maintenance of Allied troops in Upper Silesia has been hitherto borne entirely by the three Allied Governments. Complete figures were not available to show the total cost of the occupation at the time when the powers of the Commissioners expired, but a rough estimate made by Mr. Trentham places them at the following figures:

French	Frcs.	165,000,000,
British	£	1,400,000,
Italian	Lire	100,000,000.

The final determination of the sum to be claimed on this account rests with the Finance Committee of the Conference of Ambassadors, and the powers of the Commissioners having now expired, the collection from Germany and Poland of the sums due also rests with the Conference of Ambassadors.

It will be noted in the report of the Commission that the balance in hand of some 2 million francs, 337,000 dollars, and 27 million marks is at the disposal of the Conference of Ambassadors for part settlement of the claims of the Allied Governments, so that this sum will fall to be deducted from the Allied claims before the total of the deficit is finally fixed.⁵

I have, &c.,

F. B. BOURDILLON⁶

⁴ This appendix is not printed. It concluded: 'In the discussion on the subject between the Commissioners General Le Rond supported the Polish contention [i.e. that the proportion should be 50 : 50], but added that he could not in any case go beyond the ratio of 40 : 60. General de Marinis said that in his opinion the ratio should be 39 : 61, as this figure was the result of the comparisons of the several elements of appreciation. I contended that as far as we possessed reliable data it all pointed to the ratio of 35 : 65, but in view of the fact that the data were [*sic*] all, at least in great part, obtained from purely German sources, and in view of the fact that the German Plenipotentiary at Oppeln had appeared to have expressed himself willing to accept the 40 : 60 ratio, I would agree to that if General Le Rond and General de Marinis were also willing to do so, and this ratio was then agreed upon.' In his telegram No. 604 of November 15, not printed, Lord Hardinge reported: 'The conference approved a report by the financial committee regarding the winding up of the accounts of the Upper Silesian Plebiscite Commission (copy of this report is enclosed in my despatch No. 2675 of to-day's date). It will be observed that this report, among other things, fixes the proportion in which the costs of the Upper Silesian Commission and the armies of occupation are to be divided among Poland and Germany, as follows: Poland 58% and Germany 42%.'

⁵ Following a recommendation by the Financial Committee of the Ambassadors' Conference of February 27, 1923, which was accepted on March 3, it was agreed that these funds should be divided in the following proportions: 55·63 per cent. to France, 24·24 per cent. to England, and 20·13 per cent. to Italy. By a resolution of June 13 these were amended

to 55·617 per cent., 24·258 per cent., and 20·125 per cent. respectively. By July 20 the Treasury had received £30,997. 18s. 7d. from the Commission in fulfilment of this decision, leaving a net sum due of £1,210,330. 15s. 1d. in payment of the costs of the British Army of Occupation in Upper Silesia. The Financial Committee produced its report on the reimbursement of the costs of the allied occupation of Upper Silesia on August 27, 1923, which was amended in a note of September 22; the ratio was fixed at Germany 37 per cent., Poland 63 per cent., the outstanding British claim being divided into £447,822. 9s. and £762,508. 6s. 1d. respectively.

⁶ Mr. Bourdillon was retained in the Foreign Office for a period after the winding-up of the affairs of the Commission, and wrote a 'Report on the Upper Silesian Plebiscite Commission', May 1923, file number C 9145/3961/18.

No. 421

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received November 3)

No. 2557 [C 15074/33/18]

PARIS, November 2, 1922

My Lord,

I have the honour to refer Your Lordship to Sir M. Cheetham's telegram No. 403, section 7, of October [August] 2nd.¹ in which it was reported that the Conference of Ambassadors had decided to set up a Special Committee consisting of the ex-Commissioners of Upper Silesia or their representatives to report on the attacks made on French soldiers during the evacuation of the territory by the allied troops last July. General Lerond and General Marinis during their meetings in Paris in September drew up a draft report for submission to the Conference, and at the special meeting of the Commission held last month² they invited Mr. Bourdillon to sign this report on behalf of His Majesty's Government. Mr. Bourdillon rightly declined to do so on the ground that General Heneker and not he, was the British member of the Committee which was to consider this question. The draft report was thereupon sent to General Heneker for his opinion, in the hope that he would communicate on the subject with General Lerond in time to enable an agreed report to be prepared before the Commissioners dispersed. No communication, however, has yet been received from General Heneker, and the functions of the Commission having come to an end on the 19th October, General de Marinis has now returned to Italy. The French Government have now approached the Embassy direct on the subject, and have enquired whether and when General Heneker is going to state his opinion with regard to the draft report.

I should be grateful, therefore, if Your Lordship could ascertain from General Heneker what he proposes to do in the matter. However desirable it may be on general grounds that the whole question should be shelved, I

¹ No. 410.

² See No. 419.

am afraid it is impossible for us to ignore the existence of the draft report and the French Government's request that it should be considered by General Heneker.³

I have, &c.,

HARDINGE OF PENSHURST

³ General Heneker had already written to General Le Rond on October 22, stating that he did not 'consider that we, as a Commission, would be justified in signing such a report The losses sustained on both sides (and my information convinces me that the population of the country suffered the greater loss), should be recognised, I think, as one of the calamities attendant on the occupation of a Country by foreign troops, where feeling runs high and the occupation is prolonged.

'I deprecate therefore as useless any further representation to the German Government on the subject.'

PART II

CHAPTER III

Reparation by Germany: Events leading to the Allied Ultimatum to Germany January 1—May 5, 1921

No. 422

Lord D'Abernon¹ to Earl Curzon (Received January 3)

[C 94/94/18]²

LONDON, January 3, 1921

My Lord,

I have the honour to submit a memorandum showing the position of negotiations at the Brussels Conference up to the Christmas adjournment, together with notes on the special subjects under discussion.

It may, I think, be of some advantage to your Lordship if I supplement the disconnected and fragmentary reports which have hitherto alone been possible by a document which purports to convey a more general view of the position.

If this memorandum is printed in time for the next meeting of the Conference—which will take place on or about the 10th January—it will greatly facilitate my communications to your Lordship, as I shall be able to refer to specific pages or paragraphs of the printed documents.

I have, &c.,
D'ABERNON

ENCLOSURE I IN No. 422^{*}

Memorandum on Position of Brussels Conference at the Christmas Adjournment

I.—The German Budget

Paper No. 1.—The German Budget is the main key to reparation. At present, revenue and ordinary expenditure approximately balance at 40 milliards of marks. There is, however, extraordinary expenditure amounting on paper to some 70 milliards in which the main items are—

¹ H.M. Ambassador at Berlin and leader of the British delegation to the Brussels Conference (of December 16–22, 1920, see Vol. XV, No. 7, n. 3). He visited London for consultation with the Cabinet before going to Paris for informal meetings of the Allied experts who had attended the Brussels Conference on reparations, and who were drawing up a report for the forthcoming meeting of the Supreme Council.

² Unnumbered.

	Milliards.
Cost of armies of occupation	15
Other expenses of executing Peace Treaty	25
Deficit on railways and posts	20

The German Government have further to face next year compensation to German nationals for the seizure of ships, property in Allied countries, &c. (estimated at 131 milliards); this, however, is to be borne on the funded debt and not paid out of current taxation.

The railway and post deficit of 20 milliards is approximately correct, but is expected to disappear by 1922/23, and to be largely reduced next year. The remaining estimates of the extraordinary expenditure are probably over-estimated. The Conference, on its resumption, must get them [? on] to a more reliable basis.

The ordinary budget, on the expenditure side, appears to include substantial non-recurrent charges, probably more than 5 milliards. On the receipts side there are capital taxes (8 milliards) which will not be available in later years. No increase in the rates of direct taxation can be expected, but—

1. Alcohol, tobacco, tea and sugar are apparently much under-taxed;
2. Turnover tax may yield a substantial increase;
3. The existing rates of taxation should yield more revenue as the tax-collecting machinery improves;
4. Arrears from 1920/21 may be collected later.

Broadly speaking, after eliminating the existing non-recurrent receipts and expenditure and assuming that fresh items of extraordinary expenditure do not arise, the recurrent revenue should ultimately exceed substantially the expenditure (say very roughly by 5 milliards). This is only a preliminary survey of the budget position. The Conference has charged M. Cheysson³ with further investigation.

M. Giannini⁴ is to work out the rates of taxation in Great Britain, France and Germany, to ascertain (as the treaty requires) whether the German is taxed as heavily as an Allied national.

In criticising the German taxation scheme, it is to be remembered that the German Government have increased the net revenue of the Empire from 9 milliards to 30 milliards in one year.

II.—General Prospects of Reparation

Paper No. 2.—Germany must have a budget surplus before she can pay substantial cash reparations. In the meantime, one proposal which she makes for payment in cash is the establishment of trading syndicates which should devote a certain percentage (20 or 30 per cent.) of the proceeds of their sales to reparation, the German Government being under obligation to repay an equivalent amount to the syndicates in paper marks.

³ A member of the French delegation to the Brussels Conference on reparations.

⁴ A member of the Italian delegation to the Brussels Conference on reparations.

Apart from this, the German delegation thought that for the moment the possibilities of reparation were limited to deliveries in kind—one proposal being that contractors for the restoration of the devastated areas of France, Belgium and Italy should be at liberty to requisition raw materials (bricks, timber, &c.) from German manufacturers up to a fixed amount in paper marks, the German manufacturers recovering the value of the requisitioned material from the German Government.

Among other points arising on the question of reparations in cash *versus* reparations in kind, attention should be called to the fact that Germany appears now to be paying reparations in kind under some forty-five heads, and the complication is so great that it is difficult to obtain any clear idea as to the value of what is now being done. This leads to the result that Germany derives no benefit to her credit for having discharged so much of her obligations.

III.—*Economic Recovery and Reparation*

The Germans referred to specific points in the treaty which acted with particular severity against economic recovery and capacity to pay reparation.

(a) *Excessive Cost of the Armies of Occupation*

It has unfortunately been impossible to obtain any accurate figures as to these. In the absence of such figures, which Sir John Bradbury⁵ is endeavouring to obtain, this question cannot be usefully discussed.

But the cost of the armies of occupation should, if feasible, be included in the lump sum, and not, as at present, charged to a separate account. Without this, the Allied Governments have no incentive to cut down their costs.

(b) *Mercantile Shipping*

Paper No. 3.—The German delegation requested the Allies to allow Germany to retain that portion of her shipping (about 300,000 tons) which she has not yet delivered, and to restore a small number of ships already delivered. Their case rests mainly on the point that to pay for charter rates or for freights in foreign currency is an undue strain on their exchange. They have been requested to produce more detailed evidence, with figures. The particular type of ship which they would like restored is the general bulk-cargo boat for the North Atlantic and the River Plate trade; the semi-coasting trade in the Baltic is apparently provided for out of the ships they have left.

They are to consider how far temporary restoration of some of the delivered ships and postponement of further deliveries would meet them.

As to the articles requiring Germany to build and deliver 200,00 tons of shipping a year for the next five years, the German view is that, since the world is already overstocked with tonnage, it would be economic waste to put Germany to work of this kind.

⁵ Principal British Representative on the Reparation Commission and a member of the British delegation to the Brussels Conference.

(c) *Economic Reciprocity*

Paper No. 4.—The German delegation stated that difficulties arose from Germany having to give most-favoured-nation treatment to the Allies, without receiving it in return. Their desire was rather for reciprocal treatment than for cancellation of their obligation. They had three particular points: First, that, in negotiating commercial treaties with neutrals, an offer by Germany to let in a neutral's product at a low tariff offered no temptations to the neutral, since it meant letting in the same product from all the Allied countries at the same low tariff. Secondly, that Germany was now endeavouring to restrict quantities of imports, and limit their purchase to cheap markets. It was difficult to work such a rationing system, if all Allied countries were entitled to admission of corresponding rations of their own products; Germany, for example, was now required to import cut flowers from Italy and France. Thirdly, Germany had no guarantee that her exports would be permitted entrance to Allied countries on conditions similar to exports from other countries, and it was impossible to pay reparation without an export trade.

A minor point arises from article 276, which binds Germany not to boycott Allied nationals in Germany, but gives no reciprocal guarantee of the admission of German nationals into Allied countries on equal terms with the rest of the world. The German delegation wanted some general understanding for the carrying on of business by Germans in Allied countries, subject to any particular restrictions that might be necessary.

(d) *Clearing Office for Debts*⁶

Paper No. 5.—The German delegation represent that the monthly remittances which they have had to make to Allied clearing-houses have been a great strain on their exchange. As an alleviation, the German and the principal Allied clearing-houses are prepared to fix the monthly remittances from Germany at a definite amount, and this amount is to be discussed further at a meeting in Paris on the 5th January. Extreme accuracy in fixing it is unnecessary, minor errors of excess or defect being compensated by the shortening or extension of the period of payment.

(e) *Sequestered Property*

The Germans here have two points:—

1. They dislike subjecting their exchange to the burden of cash remittances on the debt account, while Allied Governments have in their hands substantial assets represented by the seizure of German property in Allied

⁶ Article 296(d) of the Treaty of Versailles provided that pre-war debts due by German nationals to nationals of the Allied or Associated Powers were to be collected in Germany and paid or credited at the pre-war rate of exchange in the currency of the national concerned. A German law of April 24, 1920, required the German debtor to pay in paper marks at the pre-war exchange of paper for gold. The difference was made good from German state funds, thus reducing the amounts available for reparation. The German Clearing House was greatly in arrears in sanctioning claims and in making payment to the Allied Clearing Houses of the claims sanctioned.

countries. One suggestion is that the Allies should permit Germany to deposit sequestered German-owned securities in neutral countries (Holland or the United States of America) as collateral for a loan, Germany using the proceeds of the loan to clear off her obligations on the debt account.

2. Wholesale sequestration of property hampers the recovery of their international trade, and they hope that further measures of sequestration, at any rate as regards the smaller properties, may be discontinued.

(f) *Economic Reprisals under paragraph 18 of Annex 2*

Paper No. 6.—The German delegation state that the liability to reprisals makes German traders very nervous about resuming business with Allied countries. They prefer to employ neutral intermediaries, who reap an unnecessary middleman's profit from both sides. They welcome Great Britain's recent declaration exempting certain forms of German property from reprisals,⁷ but point out that it is not complete, and desire a more general statement exempting all German property. A declaration by any one Power to this effect would be valuable, but a joint declaration by them all would be even better.

In general, the impression obtained is that Germany's weakness at the present moment is in the financial rather than in the industrial sphere. The industrial machine—doubtless deteriorated as a result of the war—is still in existence, and, given proper financial conditions, is capable of producing considerable wealth. For the moment, however, the machine is paralysed through the complete instability of the currency by which it supplies itself with raw materials and disposes of its products.

⁷ See Vol. X, Nos. 217, 385, 386.

No. 423

Lord Hardinge¹ (Paris) to Earl Curzon (Received January 11, 6.45 p.m.)

No. 21 Telegraphic [C 827/94/18]

PARIS, January 11, 1921, 2.40 p.m.

Following from Lord d'Abernon:—²

French Government to-day sent following telegraphic instructions³ to their Ambassador at Berlin.

¹ H.M. Ambassador at Paris.

² See No. 422, n. 1, above.

³ The French text of these instructions was enclosed in an unnumbered despatch to the Foreign Office of January 11 from Lord D'Abernon in Paris. Also enclosed was a copy of the French Government's instructions, dated January 8, to their Ambassador in Berlin to support the proposals which had been communicated to Dr. Bergmann, leader of the German delegation to the Brussels Conference, for the consideration of the German Government. Dr. Bergmann had received these proposals on his departure from Paris to Berlin on January 7. The text of the proposals is printed in *Documents relatifs aux réparations*, vol. i (Paris, 1922), pp. 96–98; and in German in G. Calmette, *Recueil de documents sur l'histoire de la question des réparations* (1919–5 Mai 1921), pp. 372–6.

Paraphrase begins.

Supreme Council on January 19th will discuss reparations question. We have sought to avoid reopening Conference at Brussels before meeting of Supreme Council, as this would have involved gathering together of numerous experts and would have led to publication of dangerous press articles. We prefer work of experts to go on unofficially but it is of importance that a solution should be arrived at before January 15th when Herr Bergmann returns to Paris. Herr Bergmann was also desirous of avoiding necessity of returning to Brussels.

Further, the German answer can be given without need for further discussion: all they have to do is to accept scheme submitted and principle of an annuity of three milliard gold marks for five years. The details will be examined later either in Paris before Supreme Council meets or later at Brussels.

The Belgian and British delegations have urged that German Government would not consider themselves bound to reply if Conference is not resumed at Brussels on January 15th and if immediate future proceedings are limited to informal meetings at Paris. We must persuade Germany against such an attitude: this is her last opportunity to secure an agreed solution of reparations instead of question being determined over her head.

The Conference of Brussels was arranged in interests of Germany as much as in our own and its postponement must not serve as a pretext for failure by Germany to submit proposals asked of her within time stipulated.

Paraphrase ends.

Seydoux⁴ informs me that French Ambassador will show these instructions to Lord Kilmarnock.⁵

I should be glad if Lord Kilmarnock could be authorised to make representations to German Government urging them to seize present favourable opportunity to settle this most difficult and disturbing problem.

I am sending Your Lordship by bag copy of French despatch to Berlin as well as . . . ed⁶ text of their telegram.⁷

⁴ Head of the Commercial Department of the French Ministry of Foreign Affairs and leader of the French delegation to the Brussels Conference on reparations.

⁵ H.M. Chargé d'Affaires at Berlin during the frequent absences of Lord D'Abernon.

⁶ The text is here uncertain.

⁷ See n. 3.

No. 424

Lord Kilmarnock (Berlin) to Earl Curzon (Received January 14, 6 p.m.)

No. 8 Telegraphic [C 1050/386/18]

BERLIN, January 13, 1921, 8.30 p.m.

French Ambassador has received instructions as to proposals for reparations, which I understand have been shown to Lord d'Abernon, who considers them satisfactory and to be conducive to prompt settlement of outstanding difficulties.

French Ambassador has informed Minister for Foreign Affairs of his instructions and given him verbal sketch on general lines of proposals in question. He has advised German Government to continue *pourparlers* unofficially for the moment on these lines.

At his request I saw Minister for Foreign Affairs this morning and gave him Lord d'Abernon's views, adding that I had not received instructions from Your Lordship on the subject.

Minister for Foreign Affairs, who had left a meeting of Industrials which was occupied with dealing with this question in order to receive me, said that he found figure mentioned by French Ambassador (which latter tells me was three milliards gold marks annually) very high, and that it was difficult for him to give an answer at short notice. He appeared to think proposals outlined by French Ambassador differed from those which had been made recently to Herr Bergmann¹ and were less advantageous to Germany. He then returned to meeting with Industrials.

Since above was cyphered I have received Your Lordship's telegram No. 10² and I am writing to Minister for Foreign Affairs to inform His Excellency that I have received instructions to support representations of French Ambassador.

Repeated to Paris.

¹ See No. 423, n. 3.

² This telegram of January 13 referred to Paris telegram No. 21 (i.e. No. 423) and stated: 'You are authorised to make suggested representation to German Government.'

No. 425

Lord Kilmarnock (Berlin) to Earl Curzon (Received January 15, 5.10 p.m.)
No. 11 Telegraphic [C 1110/386/18]

BERLIN, January 14, 1921, 6.10 p.m.

My telegram No. 8.¹

Paris telegram No. 21² only reached me this morning after I had written to Minister for Foreign Affairs last night supporting representations of French Ambassador.

I saw Dr. Simons again this morning and made representations in the sense of last paragraph of Lord Hardinge's telegram under reference. I also gave him the substance of previous part of that telegram in the guise of personal advice from Lord d'Abernon.

His Excellency seemed somewhat embarrassed and said that it was not possible for the German Government to pledge itself immediately to pay three milliards of gold marks without first examining capacity of the country to support that burden. He said that any German Government which did so would be immediately swept out of office. He seemed to be rather in the dark as to exact nature of proposal put forward by the French Ambassador who had given him nothing in writing but had merely sketched the outline of the

¹ No. 424.

² No. 423.

scheme. Dr. Simons appeared puzzled as to what that scheme meant and said that the two proposals by Monsieur Seydoux had been brought back by Herr Bergmann from Paris and that he was not yet clear which, if either, corresponded with proposals now put forward by the French Government. Altogether French Ambassador does not seem to have been very explicit but he is to see Dr. Simons again to-morrow and I will endeavour before then to clear up any misunderstanding which may exist. As Conference of Prime Ministers will now doubtless have to be postponed,³ [?] a little time is afforded for any supplementary explanations which may be required to make situation clear to the German Government.

Dr. Simons referred to Upper Silesian Plebiscite and laid stress on the difficulty of Germany coming to any definite arrangement before she knew what result of voting would be. He indicated that Germany would not take opportunity of raising formal objections such as are indicated in paragraph 7⁴ of Lord Hardinge's telegram. Herr Bergmann leaves to-night for Paris.⁵

Repeated to Paris.

³ M. Leygues had resigned on January 12, but it was not until January 16 that M. Briand succeeded in forming a government.

⁴ Presumably paragraph 3 of the paraphrase in No. 423.

⁵ Dr. Bergmann returned to Paris to resume informal negotiations with the Allied reparations experts: see No. 423.

No. 426

Lord Kilmarnock (Berlin) to Earl Curzon (Received January 17, 5 p.m.)
No. 18 Telegraphic [C 1235/386/18]

BERLIN, January 16, 1921, 10 p.m.

French Ambassador tells me that he saw Minister for Foreign Affairs yesterday on reparation question. Doctor Simons began by saying that figure proposed¹ was too high and seemed to be inclined to adopt a non-possumus attitude. French Ambassador told him what the French Government wanted was an acceptance in principle of proposed scheme and that the German Government were at liberty further to discuss actual figures with a view to establishing whether they were within capacity of Germany to pay. As Doctor Simons still appeared somewhat recalcitrant, French Ambassador told him emphatically that if Germany did not take this opportunity of arriving at (? amicable) agreement, Allies would have to take their own measures to ensure payment of the sums to which they were entitled. Minister for Foreign Affairs then modified his tone and authorised French Ambassador to inform his Government that German Government accepted proposed scheme in principle subject to the following reservations:—

1. That such acceptance must be conditional on result of a conference

¹ See No. 423.

between German Government and German industrial interests as to whether reparation up to annual total indicated was possible.²

2. That such annual totals would be deducted from total amount of reparation when such total had been fixed. With regard to this point French Ambassador said he could undoubtedly give an assurance to this effect.

3. That arrangement shall not in any way imply that fixation of sum total of reparation must be postponed but that it may in fact be determined before the expiring of the period of five years during which annual . . .³ contemplated in agreement is to be paid. During interview Minister for Foreign Affairs apparently laid considerable insistence on fact that Reparation Commission were bound by treaty of peace to present total estimate of reparation on or before May 1st next⁴ and seemed to consider this was a clause which favoured Germany and consequently offered ground for bargaining. French Ambassador pointed out that it was hardly to the interest of Germany that an estimate comprising all the losses enumerated in treaty of peace should be presented, upon which Minister for Foreign Affairs appears to have dropped the argument.

Repeated to Paris.

² In his telegram No. 19 of the same date, not printed, Lord Kilmarnock reported Dr. Simons as saying that Herr Stinnes (a prominent industrialist and a leading member of the German People's Party, the Volkspartei) 'had secured the assent of other Industrials to Monsieur Seydoux's plan'.

³ The text is here uncertain.

⁴ i.e. under Article 233 of the Treaty of Versailles.

No. 427

Lord D'Abernon (Paris) to Earl Curzon (Received January 21)

No. 15 [C 1532/386/18]

PARIS, *January 19, 1921*

My Lord,

I have the honour to report that Herr Bergmann returned from Berlin on Sunday morning¹ and had an interview with M. Delacroix,² M. Cheysson and the English delegation on Sunday afternoon.

His general attitude was not satisfactory; he brought back no firm offer from Germany regarding an annuity, and he said that Germany could not undertake to make any annual payment whatever unless the total of Germany's indebtedness was fixed. He also said that 3 milliards a year was far beyond Germany's capacity and that he could not contemplate any payment in cash, the whole of the eventual annuity being paid in kind.

¹ i.e. January 16.

² Former Belgian Prime Minister and leader of the Belgian delegation to the Brussels Conference on reparations.

I rather gathered the impression from this interview that Herr Bergmann was not going to the full length of his instructions, and that he would make a proposal at a private interview in which the whole position of the negotiations could be discussed with some freedom and frankness. I consequently arranged for a private interview with Herr Bergmann on Tuesday morning. At this interview he altogether changed his ground and gave what appears to me to be a quite satisfactory indication of the views and intentions of the German Government.

The enclosed note³ gives your Lordship the precise purport of Herr Bergmann's declaration. The note was written down during our conversation and was subsequently read out to him, so that there can be no question of the correctness of my impression.

My own view of the declarations made is that they afford a satisfactory basis for further discussion and justify considerable confidence regarding an eventual agreement.

In the course of the day yesterday I had an opportunity of discussing this memorandum³ with M. Seydoux, the French delegate, who appeared to think that, with minor modifications, it would form an acceptable basis for the French Government.

I have, &c.,
D'ABERNON

³ Not printed. See No. 430 below.

No. 428

Lord D'Abernon (Paris) to Earl Curzon (Received January 21)

No. 16 [C 1533/386/18]

PARIS, January 19, 1921

My Lord,

I have the honour to enclose a memorandum which I have drawn up regarding the legal position in respect of articles 232 and 233 of the Treaty of Versailles.

These articles refer to the obligation which the treaty puts upon the Allies to draw up a statement of the damage for which compensation is to be made by Germany.

If my conclusions are correct it would seem that the Allied Governments are in a very difficult position regarding the presentation of this statement of claim before the 1st May, 1921.

I would suggest that the question should be carefully examined by competent legal authority, so that your Lordship may be fully advised on the question if it comes up for discussion in Paris.

I understand that Sir John Bradbury and M. Delacroix, both of whom are members of the Reparation Commission, do not dissent in substance from the views I have expressed. They propose to raise the question at the Reparation Commission before the end of the present week.

M. Seydoux, with whom I have discussed the position, fully recognises the fact that if my views are correct all the current talk in the French press about presenting Germany with a statement of claim on the 1st May, 1921, is little more than nonsense, since it will be impossible to draw up such a statement within the terms of the treaty.

I have, &c.,
D'ABERNON

ENCLOSURE IN NO. 428

*Memorandum by Lord D'Abernon regarding the Legal Position in respect of
Articles 232 and 233 of the Treaty of Versailles*

January 17, 1921

The conclusion arrived at in the following memorandum is that, under all circumstances, a new contract has to be made with Germany respecting the statement of the amount of damage, under articles 232 and 233 of the treaty, and under Annex I of Part II of the treaty, pp. 105 and 106 [*sic*].¹

The statement of damage mentioned in article 233 must be drawn up after considering the claims and giving the German Government a just opportunity to be heard. It must also be drawn up to show the different claims defined in Annex I, that is, setting forth the damages under ten different heads. The words of the treaty (article 233) are ' . . . the amount of damage defined as above. . . .'² It is clear that a mere block figure, dictated or suggested by the Supreme Council to the Reparation Commission would not in any way fulfil the prescriptions of the treaty.

There is no time between now and the 1st May to present a statement of claim conformable to the terms of the treaty.

A new contract with Germany is therefore inevitable.

If new terms have to be arranged it would be easy to agree with Germany to postpone the date of the 1st May so as to obtain from her any other modification of equal utility.

Nothing would appear more dangerous than to endeavour to effect a sham conformity with the terms of the treaty by measures obviously at variance with the specific intentions of its authors and divergent from fair interpretation of its clauses. It is much better to face the difficulty frankly.

¹ Annex I of Part VIII of the Treaty is obviously intended.

² The punctuation of the original is here printed.

No. 429

Lord D'Abernon (Paris) to Earl Curzon (Received January 26)

No. 17 [C 1876/386/18]

PARIS, January 20, 1921

My Lord,

I have the honour to report that as a result of very numerous conferences between the members of the Brussels Conference we have now arrived at agreement respecting the main heads of our report to the Supreme Council.

I enclose an advance copy of the report.¹

An endeavour has been made by the members of the Brussels Conference to keep the report as impartial as possible, to take into full account the representations of the German delegation at Brussels, and to make suggestions for the improvement of German finance on technical and scientific lines.

We have carefully avoided the tone of the blind and reckless creditor who cares only for the rapid encashment of his debt, without reference to the position or the solvency of the debtor.

The whole position respecting the payment of reparation by Germany must be considered, not only in the light of the report of the Brussels Conference, but also in connection with the subjects of my two despatches to your Lordship of yesterday (Nos. 15 and 16)²—the one stating Herr Bergmann's views, and, presumably, the views of the German Government, regarding the possibilities of payment; the other covering a memorandum on the legal position.

My hope is that these three documents will put your Lordship in possession of the main elements which bear upon the question as it will be discussed at the Paris Conference next week.

I have, of course, a mass of further detail upon the subject of reparation, but so far as I am able to judge, there is nothing essential which the above-mentioned communications do not contain.³

I have, &c.,
D'ABERNON

¹ Not printed. This report with annexes, dated January 18, 1921, is published in *Documents. . . réparations*, vol. i, pp. 72-114. The report without the annexes is published in G. Calmette, *op. cit.*, pp. 364-70.

² Nos. 427 and 428 respectively.

³ In transmitting the final copy of the report, in his despatch No. 19 of January 26, not printed, Lord D'Abernon stated: 'Your Lordship will appreciate that, although the original intention was for the Delegates of each country to report separately to their own Governments, a joint and unanimous Report has been arrived at.'

No. 430

Lord D'Abernon (Paris) to Earl Curzon (Received January 27)

No. 18 [C 1948/386/18]

My Lord,

PARIS, January 26, 1921

I have the honour to enclose a memorandum showing, in parallel columns, Herr Bergmann's statement of what he thought the German Government might agree to, and M. Seydoux' modification of this statement, bringing it into conformity with what he thought the French Government would accept.

Your Lordship will observe how relatively small the gap is compared with the chasm which divided them a few weeks ago.

It must of course be remembered that the two Governments have to endorse the attitude of their delegates, and public opinion has to endorse the opinion of the Governments, before a real solution is attained.

I have, &c.,
D'ABERNON

Memorandum

*Herr Bergmann's Statement regarding Conditions which he thought might be Acceptable to Germany.*¹

The following conditions might form the basis of discussion with the German delegation at Brussels:—

1. A temporary arrangement to be made regarding annuities for the first five years.

2. The fixation of capital debt to be arrived at as soon as possible, but the temporary arrangement not to be postponed for it.

3. The basis of the temporary arrangement to be 3 milliard gold marks per year, but during the first two years the annuity not to be more than 2 milliards. The annuity for the three following years to be dependent on an index scheme, but to be 3 milliards provided that the index scheme gives 'x' result compared with present conditions.

4. Before the end of the five years the capital debt to be fixed and new annuities settled for subsequent years.

5. In the first two years $1\frac{1}{2}$ milliards to be paid in kind and $\frac{1}{2}$ milliard in cash.

6. Prices and quantities to be fixed according to present conditions.

7. The cost of the Armies of Occupation to be cut down to 240 millions of gold marks. The question whether this sum should be included or not in the annuity to be left over for subsequent discussion.

M. Seydoux' Modification of Herr Bergmann's Statement into Conditions he thought might be Acceptable to the French Government.

The following conditions might form the basis of discussion with the German delegation at Brussels:—

1. A temporary arrangement to be made for the payment of annuities for the first five years.

2. The fixation of the total sum of the debt to take place as soon as possible, and in any case before the end of the first five years' period, but the putting into force of the arrangement not to be postponed for it.

3. The arrangement to be based on the payment during the next five years of annuities of an order of magnitude of 3 milliard gold marks a year, it being understood that for the first year the figure will not exceed 2 milliard gold marks, and that for the following years it will be proportional according to a factor to be determined with Germany's economic development.

4. (No corresponding paragraph, but see the words 'in any case before the end of the first five years' in paragraph 2.)

5. During the first year payment to be made as to $1\frac{1}{2}$ milliards in kind and as to $\frac{1}{2}$ milliard in cash.

6. Prices and quantities to be fixed in accordance with the agreement made by the parties.

7. The cost of the Armies of Occupation to be reduced to 240 millions of gold marks. The inclusion of the cost of the Armies of Occupation in the annuity to be examined later.

¹ See No. 427

Lord Kilbarnock (Berlin) to Earl Curzon (Received January 27, 1.30 p.m.)
No. 25 Telegraphic [C 1957/386/18]

BERLIN, January 26, 1921¹

German Chancellor, after consultation with Minister for Foreign Affairs and Minister of Finance, has issued following official declaration regarding attitude of German Government on subject of reparations.

Begins:

It continues to be a matter of urgent interest for Germany that she should learn as soon as possible amount which she owes in reparation. Germany has treaty right to be informed on this point by May 1st, 1921. On other hand Germany recognises that it is technically difficult to fix exact figures of her indebtedness and psychologically [*sic*] difficult to reach an agreement on matter. German Government would therefore be prepared to renounce her rights to be informed by date laid down in Treaty, if in return they can succeed in reaching an understanding with Allied Governments on subject of a partial discharge of her obligations to be made by Germany during the next five years. It was in this sense that German Government accepted plan of five annual payments as a point of departure for further negotiations.² German Government demand that in negotiations relating to this plan question of amount of yearly deliveries shall for present be reserved and that discussion shall first take place with regard to method of deliveries in kind and their valuation as also with regard to circumstances which govern any estimate of Germany's capacity of delivery and which were more clearly indicated at Brussels and further that when a settlement is reached regarding annual payments negotiations with regard to extent of Germany's total indebtedness shall not be deferred until the expiry of period of five years but shall be continued as soon as possible. This request has been recognised as justified by French Ambassador in Berlin on the occasion of his decisive conversation on subject with German Minister for Foreign Affairs.² It therefore forms basis of the further discussions. Unless the Allied Governments make concessions in direction indicated by German Delegation in Brussels German Government could not undertake responsibility for accepting five annual payments which already represent a great concession on their part.

Discussion between experts at Brussels have not yet been concluded. Pause has supervened in order that certain pairs of experts, appointed by the two parties, may have time to discuss among themselves certain preliminary technical questions connected with reparation.³ These discussions have only

¹ The time of despatch of this telegram is not recorded.

² See No. 426.

³ In his book *The History of Reparations*, p. 49 (London, 1927), Herr Bergmann stated: 'On 22nd December 1920 the Conference adjourned . . . in order that the various subjects might be studied thoroughly in the meantime. For each question at issue an Allied delegate was to be in contact with a German representative. In addition to the German material already submitted extensive questionnaires had been prepared by the Allies which were to be answered in detail by the German delegation.'

been concluded in part. Conference of Prime Ministers⁴ which is now taking place in Paris has no immediate connection with agreed course of reparations negotiations. It cannot replace either discussions between experts, which have yet to be held, or Government Conference at Geneva, which was promised at Spa.⁵ It is essential that industrial experts should first discuss methods by which reparations are to be carried out in practice.

Ends.

Repeated to Paris.

⁴ For the proceedings of the second Paris Conference, January 24-29, see Vol. XV, Chap. I.

⁵ See Vol. VIII, No. 77 and No. 77, n. 3.

No. 432

Lord Kilmarnock (Berlin) to Earl Curzon (Received January 31, 12.30 p.m.)
No. 28 Telegraphic [C 2206/386/18]

BERLIN, January 31, 1921, 10 a.m.

American Commissioner¹ tells me that he saw permanent Secretary of State for Foreign Affairs last night and that latter used very strong language with regard to decisions of Supreme Council² as to Reparations Question as reported in Press.

Herr Haniel³ declared that Doctor Simons was absolutely determined to refuse to discuss or negotiate on basis indicated and added that if Allies insisted they would have to occupy country and discover for themselves difficulties of collecting taxes. His attitude strongly reminded American Commissioner of that adopted generally in Germany just prior to signature of Treaty of Peace.

¹ Mr. E. L. Dresel.

² See Vol. XV, Chap. I, No. 11.

³ Permanent Secretary of State in the German Ministry of Foreign Affairs.

No. 433

Lord Kilmarnock (Berlin) to Earl Curzon (Received February 1, 2.55 p.m.)
No. 31 Telegraphic [C 2283/386/18]

BERLIN, January 31, 1921, 10 p.m.

I hear from fairly reliable source that something like consternation has been created in Government and Parliamentary circles by decisions of Paris Conference.¹ My informant states that leaders of all parties except Independent Socialists and Communists declare that no Government can possibly accept terms indicated and that any proposal to accept them would involve fall of Government. Government are reported to have decided at a Cabinet

¹ See No. 432, n. 2.

meeting held this afternoon to refuse assent to Paris decisions but as full text had not been decyphered a further meeting is apparently now being held.

There is much wild talk to the effect that if Allies insist on their demands no decent Government will be able to carry on, that Banks will close and that business generally will come to a standstill.

Fears are expressed that this will result in such disorder as to pave the way for Communist rule.

It is, of course, obvious that allowance must be made for fact that such statements are doubtless intended to impress us but it may well be that Government really think that they can, by adopting an attitude of obstruction render execution of Allied conditions impossible.

No. 434

Lord Kilmaarnock (Berlin) to Earl Curzon (Received February 7)

No. 195 [C 2622/386/18]

BERLIN, February 1, 1921

My Lord,

I have the honour to acquaint your Lordship, with reference to my telegram No. 30 of yesterday,¹ and to my despatch No. 194 of to-day's date,² that the German press continues to use violent language with regard to the decisions of the Paris Conference, and more especially in respect of those decisions which concern reparation.³ The latter are freely described as impossible nonsense ('ein Unsinn und eine Unmöglichkeit') and the Allied note as strangulation ('eine Erwürgungsnote'), while the Government are exhorted to answer the Allied demands with an emphatic 'No,' since any other policy would amount to suicide for fear of death ('jede andere Politik käme einem Selbstmord aus Furcht vor dem Tode gleich'). Apart from such emphatic denunciations the press makes the more subtle suggestion that the *Entente* policy has aroused universal condemnation in foreign countries, especially in the United States, and attempts to indicate that the abandonment of the Seydoux programme⁴ in favour of an export tax to be collected under some form of Allied control is due to the English fear of Franco-German economic co-operation, and to a desire to protect British trade.

It was to be expected that the decisions of the Paris Conference should come as a great shock to the German Government and public, who had come to believe that the questions connected with reparation would drag on until they settled themselves, by the mere attrition of time, in a sense favourable to this country. A policy of procrastination, quite apart from the merits of the case, is so obviously one which would suggest itself, that its adoption by the German Government is not surprising, and the realisation that this policy

¹ Not printed.

² Of February 1, not printed. This despatch transmitted a summary of German press comments on the Paris Conference decisions.

³ See No. 432, n. 2.

⁴ See No. 430.

has not been crowned with success has not unnaturally aroused disappointment and resentment.

It would, of course, not be possible within the short limits of a despatch, nor perhaps is it necessary, that I should attempt to express any opinion as to the amount of truth there may be in the German thesis that compliance with the Allied demands is impossible. This is a question which obviously can only be settled by the Governments concerned, with the advice of their experts. The information received from Paris and supplied to me by the French Embassy is to the effect that Germany is to pay annuities of from 2,000 to 6,000 million gold marks, spread over a period of forty-two years, and is also to pay in addition forty-two annuities corresponding to the amount received in respect of a tax of 12 per cent. *ad valorem* on all German exports. It has not yet been made clear to me whether the words 'in addition' ('en outre') contained in the telegram to the French Embassy are to be taken to mean that the amount collected in any particular year in respect of this 12 per cent. export tax is to be handed over in addition to the fixed annuity, or is to act as security for and in reduction of such annuity. Assuming, however, that the latter is the correct interpretation,⁵ the only practical question which remains to be considered, and as to which, as above mentioned, I do not feel that I am in a position to offer any useful comment, is whether it is possible for Germany to raise, we will say, in six years' time, that amount on her exports which would enable her to pay to the *Entente* Powers the difference between the value of her deliveries in kind and the sum of 4,000 million marks, or in round figures 200,000,000*l.* a year, and to continue such payments in the increased proportion provided for by the Allied decisions. I note that the French President of the Council is stated in the German press to have declared that a 12 per cent. export tax should produce 1,000 millions during the current year and 3½ thousand millions shortly. Assuming M. Briand to have spoken of gold marks, it would therefore be necessary for the German export trade to total, during the present year, about 450,000,000*l.* gold. I understand that, in fact, exports during 1920 can be roughly estimated at about 80,000 million paper marks, which, at the rate of 240 marks to the £, is roughly about 340,000,000*l.*, producing in turn an export tax to the value of about 40,000,000*l.* The value of German exports in the last complete year before the war, viz., 1913, totalled, I understand, about 540,000,000*l.*, and, if the international purchasing value of currencies be estimated to be one-fourth, and this depreciation continues (which, again, is a matter of conjecture), German exports, if and when they reach the 1913 basis, should have a value of over 2,000,000,000*l.*, producing an export tax of over 240,000,000*l.* Payments by Germany, therefore, in some years' time of a sum of about 300,000,000*l.*, including reparation in kind, would seem not to be beyond the realm of possibilities, but the contention of the German experts is apparently, firstly, that you cannot take the value of exports alone, but must consider the large adverse balance of trade aggravated by the unfavourable rate of exchange, and must also realise that an export tax of 12 per cent. would

⁵ The assumption was not correct.

make it impossible to sell German goods abroad. This is a matter of opinion as to which I do not feel that I can usefully offer any comment. In the case of Great Britain, the export tax would undoubtedly only serve from the economic point of view as a protection to British industries to the extent of 12 per cent., *i.e.*, to the extent adopted by most countries before the war in the shape of import duties, but it is a matter for argument whether the superimposition of this export tax would in effect prevent Germany from exporting to countries which have already erected a tariff wall against foreign competition. It should, however, be remarked that on this ground the reply to the German contention is that the interests of the *Entente* Powers themselves would not be served by the non-collection of a duty on that which does not exist, and that the German fears on this point therefore afford no sufficient ground for rejecting the demands which have been made after a full examination by the experts of the *Entente* Governments.

Leaving aside, however, all economic considerations and taking into account only the political aspect of the problem, it cannot be denied that the situation would seem to be serious. As reported in my telegram No. 31⁶ of yesterday, the greatest excitement reigns in all Government and Parliamentary circles, and there appears at the present moment to be not merely a determination on the part of the Government to reject the demands as they have been presented, but also an equal determination on the part of all responsible parties in the Reichstag not to allow the Government to accept them. At the time of writing, the Reichstag is sitting for the purpose of hearing the declarations to be made by the Minister for Foreign Affairs on the subject, and the result of the debate will be in your Lordship's hands before this despatch arrives. Should the Government resign it is difficult to see whence their successors are to be drawn, and the *impasse* may lead to complications of which it is impossible to foresee the consequences. From a well-informed source I gather that Dr. Simons was determined to send in his resignation rather than face the Reichstag this afternoon, and my informant tells me that he spent two hours this morning in persuading him not to desert his post immediately. He further said that the only possible way out, should the Government resign, would be to form for the time being a Government of officials, who would merely act as a sort of post-office, but he greatly feared that the result in a short time would be a state of general confusion. He added that, in addition to the general indignation and sense of hopelessness over reparation, there would be a feeling of revolt in Bavaria over the question of the *Einwohnerwehr*.⁷ All this would lead to a general movement towards the Right, and then would come into play a policy of international Bolshevism. While resisting the Allied demands or opposing to them the forces of mere inertia, the Government formed by the Right would themselves combine with the Bolshevik Government of Russia, knowing full well that in the general ensuing upheaval they would profit both by the use of force to put down Bolshevism in Germany and by the contact with Russian Bolshevik forces, which they would finally discipline and use to further German ends.

⁶ No. 433.

⁷ See Vol. X, No. 347, and Chap. IV below, *passim*.

I transmit to your Lordship these views for what they are worth. They have in them that element of possibility which makes it undesirable to dismiss them as fantastic. Personally, I consider that the situation viewed from here is so complex that it is impossible to foretell at the present moment any possible developments, and I prefer, therefore, to reserve any opinion which I might be tempted to give until such time as it shall not partake of the nature of mere blind prophecy.

I have, &c.,
KILMARNOCK

No. 435

Record by Sir E. Crowe of a conversation with the German Ambassador¹
[C 2740/2740/18]

FOREIGN OFFICE, *February 2, 1921*

The German Ambassador spoke to me to-day on the subject of the proposed Conference which is to assemble in London on February 28th.² He referred to the speech of the German Minister for Foreign Affairs in the Reichstag³ in which Dr. Simons had expressed the view that, whilst the resolution of the Supreme Council regarding disarmament was in the nature of an order or summons, the resolution respecting reparation was in the form of a proposal which it was for the German Government to consider and to answer by putting forward, if necessary, counter-proposals or alternatives. Dr. Simons had declared that whether the German Government would accept the invitation to the London Conference must depend on whether this view of the situation was accepted as correct.

I said I had no doubt that generally speaking it was correct to say that the decision of the Supreme Council respecting disarmament represented demands with which the German Government was asked to comply: all these demands were well covered by the Treaty and were in effect less than the Treaty authorised the Allies to claim. As regards reparation, I thought it seemed clear that in so far as the terms of the resolution passed by the Supreme Council were not in strict accordance with the Treaty, they required the assent of the German Government before they could be put into operation. It was, therefore, a proposal submitted to the German Government which they were invited to discuss with the Allied Governments at the London Conference.

¹ Dr. Sthamer.

² For the Allied decision to invite the German Government to discuss reparations in London see Vol. XV, No. 11, Appendix 1. The German and Allied delegations met on March 1, see Vol. XV, No. 27.

³ On February 1. A full summary, in translation, was sent to the Foreign Office by Lord Kilmarnock in his telegram No. 36 of February 2, not printed. A shorter summary of this speech was printed in *The Times*, February 2, p. 126.

The Ambassador then said that Dr. Simons would expect to receive a formal invitation to the German Government to send delegates to the Conference. The note addressed to the German Delegation at Paris⁴ did not constitute an invitation but said, in the last paragraph, that an invitation would be issued. I asked Dr. Sthamer whether we might assume that if we issued a formal invitation the German Government would accept it. He thought there was no doubt that they would, on the assumption that they were not expected to accept the reparation proposals unaltered and without discussion, and he expressed the hope that in these circumstances the invitation would be issued as soon as possible. I said I would report the matter to the Secretary of State.⁵

E. A. C.

⁴ See n. 2 and *Documents . . . réparations*, vol. i, p. 115.

⁵ Lord Curzon minuted on February 4: 'The above is the correct view.'

No. 436

Lord D'Abernon¹ (Berlin) to Earl Curzon (Received February 5, 11.20 a.m.)
No. 40 Telegraphic [C 2573/386/18]

BERLIN, February 4, 1921, 5.45 p.m.

I called on Minister for Foreign Affairs this morning and had a long conversation with him regarding reparations question and Paris decisions.

He began by saying:

'I understand you regard Paris decisions as favourable to Germany. I should like to know how you arrive at this conclusion.'

I replied:

'Perhaps "favourable" is too strong a word but "not unfavourable" is certainly my view. I will give you reasons.

'As regards the first 5 years, leaving aside for the moment the 12% export tax which I will discuss later, payments demanded from Germany are less than those under Seydoux proposals² which I understand German Government was ready to accept. Therefore here there is no reason for Germany to complain.

'As regards fixation of capital sum, which is the basis of subsequent annuities from 6th to 42nd year, German Government has always insisted upon necessity of knowing her total liability. It was friends of Germany in particular who insisted that Conference should not fail to give Germany this satisfaction, which some authorities consider as a condition precedent to economic restoration. Personally I have always considered fixation of this figure as rather dangerous ground but it is you yourselves who have demanded that it should remain no longer unsettled.

'As regards the 12%, this I consider as on the whole favourable to Germany. First impression is perhaps disagreeable, but secondary considera-

¹ Lord D'Abernon had returned to Berlin on February 2.

² See No. 430.

tions outweigh this first impression. Export tax has two almost certain effects. It forestalls or replaces or defers imposition of taxes on German imports in Entente countries which would almost certainly result from low cost of production in Germany owing in the main to fall of Valuta. If it is necessary, in order to equalise competition, to load German exports to a given country with a tax, it is clearly preferable for Germany that tax should be an export tax in Germany, which comes into the German Treasury, (? than an) import tax in any given country, which goes into the Treasury of that country. A second effect of export tax is that it interests Entente countries in development of German industries and commerce and establishes a basis of good-will and co-operation between the different countries. If Entente Governments feel that they are interested in development of German export trade it must mollify considerably the feelings with which they view German economic recovery. Outside these three sections of Paris decisions I do not see that there is anything which can be considered, even at first sight, as unfavourable to German interests broadly understood.'

His Excellency replied:

'As regards export tax I am so far from having a closed mind on the subject that in 1919 I studied a project on somewhat similar lines on behalf of the Association of German Producers. We realised that low exchange gave us temporarily a great advantage and we endeavoured to devise an export tax, the produce of which would go to assist indigent German workers with the double object of preventing a dumping outcry abroad and of doing good at home. Fact that we found almost insuperable difficulties in assessing the tax does not alter the fact that it proceeded on a somewhat similar basis to export tax proposal. I warn you however that the practical difficulties of details are enormous.

'As regards the first 5 years I agree that after severe fight with many of my colleagues I brought the German Government to accept the 5 annuities plan provided that certain pending questions were previously settled; questions such as Upper Silesia³ etc.

'It was indeed a great surprise and disappointment to me, having had a great fight to get my colleagues to accept the 5 annuities without fixation of capital sum, to find that Paris Conference did not proceed on that basis but started a totally different line put forward by Messieurs Doumer and Loucheur.⁴ As French Ambassador had come officially to an agreement with me on this subject and as he was officially supported by English Chargé d'Affaires both verbally and in writing⁵ I do not understand why this basis was abandoned.'

His Excellency really produced very few arguments against my view that Paris basis was not unfavourable to Germany except this—that total charge appeared to him very excessive and that a basis which Germany could not

³ For the question of the Upper Silesian plebiscite see Vol. XI, Chap. I; see also Part I of this volume.

⁴ Respectively, French Ministers of Finance and for Liberated Regions and Reparations.

⁵ See No. 423.

bear was not only unfavourable to Germany but would prove also unfavourable to France and to England. He fully recognised that French financial necessities must be taken into account and that some basis must be found of annuities on which French could borrow. Whether France's financial position was strictly relevant to the discussion in a juridical sense, did not matter since, politically speaking, means must be found to facilitate the French position.

His own inclination was to discover some means under which France, England and Germany could co-operate industrially and economically—a plan under which production could be regulated and allotted between the countries so as to avoid competition and regulate supply. France and England in this joint production scheme would be working for themselves—Germany would be working partly for reparations and partly for herself.

Conversation then passed on to Brussels Conference. I said that I regretted that Brussels Conference had not met again after Xmas adjournment and before Paris Conference. I was also of the opinion that Brussels Conference should meet again before London Conference as discussions on a practical and technical basis between experts brought matters on a far better basis, than discussions in which political considerations predominated.

His Excellency agreed with me in regretting that Brussels Conference had not met again before Paris but said that meeting now, before the London Conference, was in his opinion excluded. The whole position had been too violently displaced by Paris decisions.

I replied:

'If you consider a meeting at Brussels now as excluded it appears to me desirable that unofficial conversations should take place before London Conference so that you should not come there either with a negative answer to Paris or with a bald alternative proposal regarding which preliminary reconnaissance [*sic*] had not been adequately made.

'You will certainly find in London an atmosphere of some astonishment if Paris decisions are refused when it is evident from statements of an authority as favourable to Germany as Keynes,⁶ that Paris basis represents an improvement on Versailles terms of between one-third and a quarter. It will not be easily understood that such a proposal should be declined?'⁷

⁶ J. M. Keynes; see No. 95, n. 2.

⁷ Cf. D'Abernon, *An Ambassador of Peace*, vol. i (London, 1929), pp. 121-3.

No. 437

Lord D'Abernon (Berlin) to Earl Curzon (Received February 6, 4.25 p.m.)
No. 43 Telegraphic [C 2578/386/18]

BERLIN, February 6, 1921, 2 p.m.

Considerable misunderstanding exists here regarding precise nature of Paris resolutions.¹ Owing to manner in which decisions, proposals, and sanc-

¹ See No. 432, n. 2.

tions have been mixed up in French Press, German public opinion and German officialdom has got the idea that sanctions mentioned would be applied automatically if Germany refused to accept any of Paris resolutions.

This appears to me a confused and mistaken view.

I understand matter as follows:—

In regard to *Disarmament*—Paris decisions have to be carried out by Germany. If she fails to carry them out sanctions will be applied.

In regard to *Reparation*—Paris decisions are proposal for a compromise or Concordat. To become binding this compromise has to be agreed to by Germany. If agreement is not come to parties revert to original Contractual position, which is Treaty of Versailles.

Sanctions only apply to a failure to carry out compromise once it was entered into, or to failure to carry out original engagement under Treaty of Versailles if no compromise is agreed to.

Before holding any language of this sort here I should be glad to know that these views are correct and in consonance with His Majesty's Government's policy. It seems probable that a non-official declaration in above sense would do much to allay misapprehension and to relieve tension.

A good deal of misapprehension also exists regarding clause forbidding Germany to 'embark directly or indirectly on any credit operation outside her own territory, without approval of Reparation Commission.' This has been interpreted as meaning a prohibition of private advances by foreign lenders to German firms and prohibition of all sorts of credit operations by German nationals in foreign countries.

As I understand it, only restriction intended was against issue of loans by German States and by German Municipal authorities, or by agents representing these, without previous assent of Reparation Commission. Whether this restriction is necessary or not might be matter of discussion in London. Apart from this however it appears undesirable to allow a very exaggerated interpretation to remain uncontradicted. It might be stated that restriction does not apply to private firms and private individuals.

No. 438

Sir M. Cheetham¹ (Paris) to Earl Curzon (Received February 11)

No. 83 Telegraphic: by bag [C 2988/47/18]

PARIS, February 9, 1921

The Conference of Ambassadors met this morning under the presidency of Monsieur Jules Cambon and considered the following questions, the Belgian Ambassador being present for the first three questions.² I attended on behalf of Lord Hardinge.

¹ H.M. Minister at Paris and Chargé d'Affaires during Lord Hardinge's absences.

² Questions (sections) 2 and 3 referred to other matters. Sections 13 and 14 are printed from C 2998/47/18 and C 2999/47/18 respectively.

(1) Representatives of the Reparation Commission appeared before the Conference in order to propose that the scrap arising from the distribution (? destruction) of German war material and such war material as the Commission of Control have decided not to destroy should be ceded outright to the German Government in return for a lump sum, instead of being sold in the open market by the Liquidating Committee set up by the Reparation Commission in accordance with decisions of the Supreme Council (see Lord Derby's despatch No. 2360 (? 2560) of August 9th 1920).³ The Reparation Commission argued that by those means they would be able to wind up the liquidating Committee and thereby save a considerable amount of expense and work. Marshal Foch however strongly objected to this proposal on the grounds that it would leave the German Government in possession of war material which they were compelled to surrender under the Treaty. This would be particularly dangerous in the case of the war material of general use which is not being destroyed. The Conference supported Marshal Foch's views and rejected the proposal of the Reparation Commission, whose note on the subject is enclosed in my despatch No. 452 of to-day's date.³

(13) The Conference took note of the fact that the Legal Advisers find it impossible to lay down a general interpretation of the meaning of the words 'war material' as used in the Treaty of Versailles.

(14) The Conference considered the report of the Legal Advisers regarding the ownership of military, naval and aeronautical material in German territory ceded to another country in virtue of the Treaty of Versailles, more especially in the portion of Slesvig ceded to Denmark.⁴ Copy of this report is enclosed in my despatch No. 456 of to-day's date.³ The Legal Advisers having decided that such military and naval material becomes the property of the Government of the territory ceded, the Conference decided that the Danish Government who have hitherto refused to accept such material lying in Slesvig, should be formally invited to do so on the ground that the Allied Governments consider that in view of Article 256 the Danish Government should not be allowed to pick and choose as to the German property which they are prepared to take over. As regards the aeronautical material, which in the opinion of the Legal Advisers remains the absolute property of the Allied Governments, the Air Clauses Committee will have to submit recommendations as to what can best be done with it. I am informing His Majesty's Minister at Copenhagen of this decision.

³ Not printed.

⁴ For the plebiscite leading to the transfer of Schleswig to Denmark, see Vol. X, Chap. VI.

No. 439

Earl Curzon to Lord Hardinge (Paris)

No. 68 Telegraphic [C 2576/94/18]

FOREIGN OFFICE, *February 10, 1921*¹

Your telegram No. 78 (of February 5th: publication of Brussels report).²

We are inclined to think that it would be better not to communicate the Brussels report to the Germans. We could scarcely communicate the report without the unpublished annexes,³ and these would have to be accompanied either by some explanation that they had not been adopted by the Supreme Council in their entirety or by the Supreme Council's instructions to the Brussels experts. The publication of the latter, and indeed of the remaining annexes, appears impolitic, inasmuch as it would indicate to the Germans the points of difference between the Allies and disclose to them the nature of the concessions, which the allied governments might be prepared to make. Publication of the report would, in any case, make it clear that the recommendations of the Brussels experts had not been entirely accepted, a fact which it does not seem desirable to emphasize at the present stage.

Please therefore, for these reasons, ask the French Government not to communicate the report or the remaining annexes at any rate until the London Conference.

¹ The time of despatch of this telegram is not recorded.

² In this telegram Lord Hardinge reported that the German Peace Delegation had asked the Conference of Ambassadors whether the report of the Allied experts at Brussels (see No. 429) might be communicated to the German Government.

³ The report without the annexes had appeared in the French press.

No. 440

Lord D'Abernon (Berlin) to Earl Curzon (Received February 13, 12.45 p.m.)

No. 51 Telegraphic [C 3061/2740/18]

BERLIN, *February 12, 1921, 8.15 a.m.*

I had interview with Doctor Simons this morning.

His Excellency leaves for South Germany this afternoon and will not return to Berlin before February 20th. Meantime Doctor Simson will represent Ministry of Foreign Affairs in discussions of Technical Committee which is preparing Germany's counter proposals for London Conference. I gathered that these proposals previous to being submitted in London will undergo some amount of public discussion here before the State Economic Council.

Minister for Foreign Affairs said

'I am not a despotic Minister. I have to carry my commercial and financial experts with me.

'Counter proposals of German Government will be put forward in such a way as to show that Germany is ready to pay all that she can—that is our firm intention, but I must warn you that as the Paris decisions were a terrible shock to public opinion here so our counter proposals will, I greatly fear, be a shock to public opinion in France.

'Regarding representatives in London Chancellor will not be able to leave Germany and will probably ask me to replace him. Whether another Minister will come to London is yet uncertain. If French Government is represented by three Ministers I think Ministry [*sic*] of Finance will wish also to be present. Very confidentially I may say that in some ways I should prefer to be alone as it is more easy to negotiate.

'Names of delegates and experts will be finally determined about February 21st.'

I conversed with Minister for Foreign Affairs for some time regarding Paris decisions,¹ repeating my view that they appeared to have aroused at first sight much more hostility in Germany than nearer acquaintance would justify, since, compared with both Versailles and Boulogne, they represented in many particulars decided advantages for Germany.

His Excellency replied that he had not seen Boulogne agreement but would be much interested in reading it, particularly if Paris decisions represented a gain to Germany in comparison with Boulogne.²

He continued:—

'We have been considering whether it is possible to return to the five annuities proposal, but have come to the conclusion that it is not possible now as public opinion here will be always afraid of the spectre of 42 annuities which it would expect to reappear. That spectre must be laid. Perhaps however, not immediately, but in the third act of the tragedy we may return to our first love.'³

I rejoined that not only here but also in Paris return to first love at present juncture might fail to arouse enthusiasm.

¹ See No. 432, n. 2.

² In his telegram No. 50 of February 12, Lord D'Abernon asked whether he might give the German Foreign Minister a copy of the Boulogne Agreement of June 21, 1920. (See Vol. VIII, No. 31.) After it had been ascertained that the French Government had no objection, Lord D'Abernon was instructed, in Foreign Office telegram No. 35 of February 18, to communicate a copy of the Agreement confidentially to Dr. Simons.

³ In a memorandum enclosed in his despatch No. 210 of February 5, Lord D'Abernon wrote: 'The present indications rather point to a desire on the part of the German Government to return to the Seydoux proposal, and, therefore, to abandon the fixation of total indebtedness and the fixation of the later annuities.' See No. 430.

*Earl Curzon to Lord D'Abernon (Berlin)**No. 29 Telegraphic [C 2578/386/18]¹*FOREIGN OFFICE, *February 12, 1921, 5.45 p.m.*

Your telegram No. 43 (of February 6th: resolutions of Paris conference).²

Y[our] E[xcellency]'s interpretation of the disarmament decisions, of the reparation proposals and of article 4 of the reparation proposals is in complete agreement with the policy of H.M.G. If you consider it desirable, you are authorized to make a non-official declaration in this sense.

In view of the fact that the reparation proposals must, since they supersede the treaty on various points, necessarily form³ the basis of an agreement to be negotiated with the Germans, and of the certainty that the Germans intend to put forward counter-proposals of their own, I fully share the opinion expressed in the concluding paragraphs of your telegram No. 40 (of February 4th)⁴ that preliminary consideration of these proposals by the competent experts is essential.

Please therefore impress upon the German Government the desirability of producing any counter-proposals they may have at the earliest possible moment.

The Allied governments will then be able to decide whether these proposals are of such a nature as to constitute a bona fide attempt to liquidate the liabilities of Germany as the allied Governments understand them and consequently such as to render a further meeting of experts useful. This meeting might conceivably take place in London a few days before the meeting of the full conference.⁵

¹ Only the approved final draft of this telegram has been preserved in Foreign Office archives.

² No. 437.

³ The original draft ran: '... the reparation proposals are intended to form...' According to a note by Sir E. Crowe the draft, at the suggestion of Mr. Philip Kerr (Private Secretary to the Prime Minister), was amended 'so as to cover what the Prime Minister said at Birmingham regarding discussion of German counter proposals'. (For the Prime Minister's Birmingham speech of February 5, see *The Times*, February 7, p. 15.)

⁴ No. 436.

⁵ In his unnumbered telegram of February 14, not printed, Lord D'Abernon stated: 'In accordance with your telegram No. 29 of yesterday [*sic*], I today made a communication to Herr Von Haniel to the effect that German counter proposals should be produced at the earliest possible moment.' He added: 'I impressed upon Herr Von Haniel strong desire that German proposals should afford an acceptable basis of discussion and should meet financial necessities of situation.'

No. 442

Lord D'Abernon (Berlin) to Earl Curzon (Received February 18, 11 a.m.)
No. 61 Telegraphic [C 3488/386/18]

Confidential

BERLIN, February 17, 1921, 7.55 p.m.

French Ambassador has returned here from Paris deeply impressed with determination in France not to accept any concessions whatever on Paris decisions. He appears to have made it his business to see men of all sections of opinion and found disappointment with amounts fixed at Paris, irritation at attitude of Germany, and growth of impatience at repeated delays had rendered Monsieur Briand's task in London most difficult. Any concessions, whatever total sum fixed, would mean his certain downfall. French Ambassador will see Minister for Foreign Affairs directly latter returns here either tomorrow or Saturday and will convey to him above impression in clearest terms. He considers it a duty not to allow any ambiguity to exist.

Monsieur Laurent told me that in Paris they are firmly determined to execute prescribed sanctions by themselves if the Allies will not join with them. When asked what those sanctions would be he replied 'those foreshadowed in Treaty of Versailles and discussed at Spa'.¹

Tone of Ambassador on his return is the more noteworthy since he was extremely calm and conciliatory on his departure ten days ago and appeared satisfied with prospects of solution based on Paris decision.

¹ See No. 437.

No. 443

Lord D'Abernon (Berlin) to Earl Curzon (Received February 20, 12 noon)
No. 64 Telegraphic [C 3570/386/18]

BERLIN, February 19, 1921, 8 p.m.

Herr Cuno and Doctor Melchior¹ called on me this afternoon by appointment and discussed confidentially and unofficially question of reparations.

They represent big Hamburg interests and are probably two of the most influential men in Technical Committee on Reparation.²

They stated that Minister for Foreign Affairs would not return to Berlin until Tuesday³ and that Technical Committee would not have a plenary sitting again until Thursday—sub-committee had been appointed which was examining certain points of detail. Discussion had not yet advanced sufficiently for any sub-committee to be appointed to draft report. I gathered indeed from conversation—although no direct statement was made—that there was considerable doubt in Committee as to whether it was best for German

¹ Herr Cuno was General-Director of the Hamburg–Amerika Shipping line, Dr. Melchior a banker with Messrs. Warburg & Co.

² See No. 440.

³ i.e. February 22, see No. 440.

counter proposals to adhere closely to general structure of Paris decisions even though figures may be different, or whether it would be wiser to start on totally different lines so as not to come up so sharply against instructions of French Delegates, which prohibit them from altering total figure. Specific question which Herr Cuno and Doctor Melchior put to me was this, 'Would it be best to go to London and make counter proposal direct to Conference or preferable to make a private communication to British and French Ambassadors here?' I said 'When will you be in a position to make communication?' They replied 'At end of next week'. I then said 'Unless you can make the communication at once there will be no time to telegraph and I do not see that any advantage would result from a communication to Ambassadors here about which they would not have time to consult their Governments. British Government proposed a week ago to Under Secretary of State for Foreign Affairs that a meeting of experts should take place in London a few days before Conference.'⁴

'It appears far better therefore that preliminary discussion, if there is to be one, should take place in London and not here. The only condition placed by His Majesty's Government on this preliminary discussion was that the basic offer of German Government should be acceptable as a bona fide attempt to fulfil Germany's obligations.' They both appeared to prefer the idea of expert discussion in London to communication of scheme in Berlin and said that they would communicate at once with Minister for Foreign Affairs by telegraph or telephone and would let me know the result on Monday.'⁵

⁴ See Nos. 436 and 441.

⁵ i.e. February 21.

No. 444

Lord D'Abernon (Berlin) to Earl Curzon (Received February 25, 9 a.m.)

No. 71 Telegraphic [C 4030/386/18]

BERLIN, February 24, 1921, 8.40 a.m.

Minister for Foreign Affairs spoke to-day on Paris decisions before State Economic Council. He adhered very closely to his previous attitude and arguments. He stated:—

1. Regarding disarmament: 'German Government are willing to execute disarmament obligations undertaken at Versailles and Spa in more moderate form now proposed in Paris. They will do their best to eliminate causes for complaint which have arisen in regard to disarmament action carried out under control of Inter-Allied Commission'.

2. Regarding reparations: 'If Entente insist on execution of Paris decisions and are not prepared to alter them we shall go in vain to London for I consider them impossible of execution. It is impossible for Germany to pay fixed annuities and it is also impossible for her to pay export levy'.

3. Regarding sanctions: 'In my opinion it is contrary to justice and treaty if our rejection of Paris decisions is made pretext for applying any sanctions. Proposals may be either accepted or rejected. Treaty confirms our rights in this respect by providing that sanctions only come into question if we do not fulfil our obligations'.

In his speech Minister laid special emphasis upon anticipated effects of enforcement of Paris decisions upon German trade and industry. He complained that some of disarmament demands were pretext for depressing German trade and instanced Diesel motors, the demand for information regarding German chemical and other trade secrets and suppression of German civil flying.

His Excellency concluded by warning nation against attempting ill-considered political adventures at present time. He added that Government would not tolerate any such proceeding.

No. 445

Lord D'Abernon (Berlin) to Earl Curzon (Received February 25, 11.45 a.m.)
No. 73 Telegraphic [C 4073/2740/18]

BERLIN, February 24, 1921, 9 p.m.

Minister for Foreign Affairs called on me this morning and said that Cabinet had not yet finally approved German counter-proposals so that he could not communicate them to me. There would be final meeting of experts tomorrow morning and a Cabinet meeting in the afternoon. He thought agreement between different opinions had now been attained and that an unanimous decision would be come to.

He went on to say that they had endeavoured, to the utmost, to base their proposals upon Paris decisions and to push their counter-proposals to utmost limit of what Germany could pay; but he could not deny that German proposals would certainly arouse strong opposition in France.

German Government had decided not to send experts with Minister for Foreign Affairs in the first instance. Experts could be called at 24 hours notice. He would, however, be accompanied by high officials of great technical ability.

Minister for Foreign Affairs added confidentially that his language at London Conference would be pitched in quite different tone from some of his recent speeches.¹ Paris decisions had caused such a shock of surprise and anger in Germany that it would have been fatal not only to Government but also to success of negotiations if he had not to some extent taken popular

¹ In a conversation on February 19 with the German Ambassador, Sir E. Crowe 'expressed regret and some concern at the speeches delivered by Dr. Simons'. In these speeches (see *The Times* of February 14, p. 9, February 17, p. 10, and February 18, p. 10) delivered in Southern Germany Dr. Simons had employed the arguments used in the Reichstag debate of February 1. (See No. 435.)

view. It was obviously necessary for him to go to London as an exponent not so much of his own views, as of popular will. It would have been fatal to have adopted any other attitude in presence of great violence of public feeling. His Excellency added that German proposals would not be put forward in a final sense but rather as a contribution to discussion and as leading up to further negotiations.

Minister for Foreign Affairs said that a rumour had reached him that disarmament would be discussed in London before reparations.

He thought this undesirable as he regarded disarmament as a finished question. Bavaria must disarm. He did not think it wise to run the risk of spoiling the pitch for reparations.

No. 446

Memorandum by Sir E. Crowe on the Paris Agreement as to Reparations and the forthcoming Conference with the Germans¹

[C 4726/386/18]

FOREIGN OFFICE, *February 28, 1921*

Lord Curzon

The attached memorandum is the outcome of a discussion between Mr. Tufton,² Mr. Waterlow³ and myself.

My conclusions may be summarized as follows:

I. *Disarmament*

We should maintain the Paris demands to the full. The probability is that Germany (including Bavaria) will give way, but that there may be some trouble over the guns of the East Prussian fortresses.⁴

II. *Reparation*

(1) The Paris proposals cannot be forced upon the Germans at present. They might ultimately be put forward as demands of the Reparation Commission under article 233 of the treaty. But this could only be done some time after May 1st.

(2) Similarly the demand for the complete payment of the 20 milliards of gold marks under article 235 could only be enforced on the completion of the period ending on May 1st.

(3) If after that date any demands made by the allies in accordance with the letter of the treaty are either refused by the Germans or not carried out the sanctions threatened could legally be applied.

¹ For the London Conference which had begun on February 21, and which the German delegation first attended on March 1, see Vol. XV, Chap. II.

² Superintending Assistant Secretary in the Central Department of the Foreign Office.

³ A member of Central Department with the rank of First Secretary.

⁴ See Annex below, n. 7.

(4) If and when H.M.G. are satisfied that the application of the sanctions agreed upon (or others) are legally justified it would be impolitic for Great Britain to stand aside and let France act alone.

(5) Of the 4 specific sanctions agreed upon at Paris, there are two with which we could associate ourselves without great difficulty: (a) the prolongation of the occupation of the left bank of the Rhine; (b) continued exclusion of Germany from the league of nations.⁵

(6) The occupation of the Ruhr would have such disastrous consequences, both economical and political, that we should do all we can to dissuade the French from resorting to it. The occupation of Mannheim and Duisburg would be less open to objection, but whether it would have any compelling effect on Germany is doubtful.

(7) The establishment of a customs frontier between the occupied districts and the rest of Germany is a measure of which the consequences cannot easily be calculated until some definite scheme is put forward. The political objection to including the occupied territory in the French customs zone would be strong. The measure would look too much like a first step to French annexation.⁶

ANNEX TO NO. 446

Memorandum by Mr. Waterlow on the Paris agreement as to reparations and the forthcoming conference with the Germans

FOREIGN OFFICE, February 28, 1921

On the assumption that the French Government cannot make any substantial concession (and, given the relations of the Chamber to M. Briand and the present temper of Parliament, it looks as if they could not), and that the Germans are, on their part, decided not to accept the Paris agreement without important concessions, the following observations may be useful. Nothing is said about disarmament in what follows, since there is every indication that the Germans will make no serious difficulty about adopting the Paris decisions under that head.⁷

2. It might be argued that, in the event of a deadlock, the Paris agreement as to reparations lapses, and that the parties revert to the original contractual position, which is the Treaty of Versailles. That is Lord D'Abernon's view:

⁵ See Vol. XV, Chap. I, No. 12, minute 6.

⁶ A note by Sir E. Crowe states that this memorandum was returned by Lord Curzon on March 4.

⁷ Sir E. Crowe added the following note: 'See however the secret report come in today (C. 4269) showing Dr. Simon's [*sic*] intention to juggle over the disarmament of the East Prussian fortresses.' The report quoted Dr. Simons as saying: 'As regards the eastern frontier, it is of vital interest to us not to disarm beyond the requirements of the Peace Treaty. Here danger exists from the extreme East and from Poland. We shall simply allow the interval, up to February 28th, granted for the surrender of guns, to expire, and when the Entente enquires as to what we have done, we shall reply that we are obliged to refuse compliance with this demand. On the other hand, it is possible to comply as regards the coastal fortifications.'

he has been informed that it is the view of H.M.G., and has doubtless told the Germans so.⁸ On that ground immediate application of the penalties decided upon at Paris might be postponed, and the procedure contemplated in article 233 be allowed to take its course. That procedure is that the findings of the Reparation Commission are to be notified to the German Govt on or before May 1, 1921, 'as representing the extent of that Government's obligations'. The Commission is to prescribe the manner in which these obligations are to be discharged within thirty years from May 1, 1921, and they have power, in the event of failure on the part of Germany, to postpone any balance for settlement in subsequent years. To fall back on this procedure would be a perfectly logical line of action, especially in view of the stock French demand for the treaty and nothing but the treaty. Since the Reparation Commission are about to present to the Germans a bill, of which the British share alone amounts to 56,896,000,000 gold marks, and since the Germans have the right to be heard, and may be expected to discuss this bill indefinitely, this is a line which must appeal to all who are impressed with the danger of forcing a premature settlement now.

3. There is, however, apart from the objection to jettisoning an inter-allied agreement, one objection of detail which might be urged against any such line. The Germans have not paid the 20 milliard gold marks prescribed in article 235. They say that they have; but, though the French exaggerate when *they* say that only about one-eighth has been paid, there can be no doubt that this obligation has not been completely fulfilled.⁹ Consequently, a case for penalties, even under the treaty, could still be made out. But here again the dilatory machinery of the Reparation Commission could be invoked.

4. Nor is it clear that the Paris agreement, with its annuities running for 42 years and its 12 per cent. tax on exports, involves so violent a departure from the treaty necessarily to require to be negotiated with the Germans. That we regard it as the basis of a concordat requiring agreement has indeed been indicated to them.¹⁰ But, should the Germans refuse to look at anything approaching the Paris agreement, will not the French be on fairly strong ground if they argue that the penalties to which we have committed ourselves should automatically come into force, since, after all, the Paris agreement

⁸ See Nos. 437, 441, and n. 10, below.

⁹ In his despatch No. 304 of February 21, Lord D'Abernon forwarded an official German Statement of payments and deliveries already made by Germany under the terms of the Treaty of Peace. In a minute dated March 5, Mr. Wigram drew up a comparative statement showing estimates compiled by the Reparation Commission (to December 31, 1920), the Brussels Experts (to May 1, 1921), and the German Government, for deliveries to be credited against the 20 milliard gold marks. The respective totals in millions of gold marks were 5,587; 9,449; 21,645.

¹⁰ See Nos. 435, 437, and 441. In his despatch No. 254, not printed, referring to Berlin telegram No. 43 (No. 437), Lord D'Abernon transmitted the text of an article from the Paris correspondent of the *Vossische Zeitung* of February 11, entitled 'The Paris decisions are not dictates' and commented: 'Your Lordship will doubtless observe the analogy between the enclosed declaration, which is presumably not uninspired by the French Government, and the interpretation which I proposed to give to the Paris decisions. . . .'

is merely a means for executing the treaty? The forty-two years might be brought under article 233 as outlined in paragraph 2 above; and probably the 12 per cent. tax will not be beyond the competence of the Reparation Commission to impose. But the legal bearing of the treaty on these points will no doubt be carefully examined by the allied legal experts, who are about to assemble.¹¹

5. Before passing from the financial aspects of the Paris agreement to the questions raised by the proposed penalties, there is one point to which attention may be drawn. This is the effect on our foreign relations of the proposed tax on exports. Dutch and American mutterings (in which the voice of Mr. Hoover¹² can be detected) have already reached us, and we know that Brazil is alarmed and is whipping up the other South American states to protest.¹³ How precisely this impost will be levied is not known; but the mere prospect has caused uneasiness in countries that scent in it either a severe blow to their trade or an attempt to make them pay part of the German indemnity; and it seems probable that its application will lead to serious international difficulties, which possibly the experts have not sufficiently considered.

6. If negotiations break down, and the French call for penalties, as it seems probable that they will, we are, on the assumption that we do not wish to break with the French and can find no sufficiently compulsive legal arguments against them, faced with the problem whether or not to leave them to act by themselves. It is true that the announced intention of H.M.G. is that the Paris penalties (which apply to reparations and disarmament equally) shall only come into force if and when the Germans accept the Paris agreement and fail to carry it out.¹⁴ But we may assume that the French are determined that, if the Paris agreement is not accepted, the penalties shall operate. Their consequences may therefore be briefly considered.

7. The penalties decided upon at Paris were as follows :—

(1) The occupation of the Ruhr or some other portion of German territory.

¹¹ See Vol. XV, Nos. 28 and 29.

¹² Mr. H. Hoover was Chairman of the European Relief Council from 1920 and Secretary of Commerce from March 5, 1921.

¹³ In his despatch No. 31 of February 17 to Sir J. Tilley (H.M. Ambassador at Rio de Janeiro) Lord Curzon stated that the Brazilian Ambassador had called and had said that 'the Brazilian Government was much disturbed' at the possibility of a 12 per cent. tax on German exports, 'which they thought might be very injurious to trade with Brazil'. In his despatch No. 63 of February 8, not printed, Mr. C. Barclay (H.M. Minister at Stockholm) cited Professor Gustav Cassel, a financial expert, writing in the *Svenska Dagbladet*, as contending 'that the export duty of 12% will burden the trade of other countries with Germany to an extent which cannot be put up with; that the enforced stimulus of Germany's export trade signifies a readjustment of the entire world commerce which will not be submitted to without protest from the neutrals, from export industries in England, and from the workmen in the Allied countries . . . that, if the Entente countries are to have the power to raise the German customs duties, it will be impossible to conclude a commercial treaty with Germany.'

¹⁴ See No. 441, n. 3.

- (2) The extension of the period of occupation of the Rhineland.
- (3) The application of customs or other measures in the occupied territory.
- (4) The support of the allied Powers to the admission of Germany to the League of Nations to be conditional on the fulfilment of her obligations.

8. Of these the second—to announce an extension of the period of occupation—is relatively anodyne, since it has no immediate practical effect. Yet it would be exceedingly bitter to the Germans. The fourth—continued exclusion of Germany from the League of Nations—is equally unobjectionable, but it may be doubted whether it has many terrors for the Germans. The problems, on the other hand, connected with the further occupation of German territory, or with the application of customs measures in the occupied territory, are formidable.

9. It is understood that the occupation of the Ruhr would be a doubtful and difficult military operation. That it would have a very serious effect on the output of German coal is certain, and the better opinion seems to be that a general strike and complete cessation of production would result,—a state of things which would have its bright side for the British coal industry. We have from time to time been told that an allied occupation of the Ruhr would be welcomed by sections both of the capitalists and of the miners; but it seems more probable that the effect would be to unite all parties and classes in a wave of nationalist and anti-allied feeling, of which the ultimate political effects cannot be foreseen. The same is true of any more modest operation, such as the advance to Duisburg and Mannheim, which is understood to be contemplated. Whether, in the present temper of Germany, such an advance would produce compliance, is open to question. At the same time, leaving out of account the possible effects on British public opinion, the political dangers of leaving the French to act alone would seem far to outweigh the evils of participation.

10. It is believed that, should the case arise, the interpretation which the French would give to the customs or other measures to be applied in the occupied territory would amount in effect to the extension of the French customs tariff to the left bank of the Rhine. This would be in line with the attempts which the French authorities have been making for the last two years to impress the inhabitants of the Rhineland with the political and economic advantages of union with France and of severance from Prussia. To discuss in detail the economic effects of this action is a task for the experts. Meanwhile, it may be pointed out that French economic domination of one of the principal industrial areas of Germany and of a port (Cologne) which is of primary importance to this country, would diminish Germany's capacity to export, and consequently to pay reparations, and would enure to the benefit of France exclusively. It would probably lead to the withdrawal of the American contingent from the troops of occupation, and would leave us (unless we too withdraw) with a disagreeable responsibility and with no power.

S. P. W.

No. 447

Mr. Robertson¹ (Coblenz) to Earl Curzon (Received March 3, 10.35 p.m.)
No. 18 Telegraphic [C 4523/2740/18]

Very urgent

COBLENZ, March 3, 1921, 6.45 p.m.

My telegram No. 17.²

Your Lordship will not have lost sight of fact that Rhine is a bad economic frontier. Customs line drawn along river would gravely affect industries on left bank which export about 90% of their produce to right bank and considerable time must elapse before they find new markets in West even if political and economic situation permitted.

I venture strongly to urge that position be carefully studied on the spot before line is finally settled otherwise complete economic chaos may supervene.

I am of course not aware of what exact object of Customs sanction is nor what régime is contemplated.

¹ Mr. M. A. Robertson was H. M. High Commissioner on the Inter-Allied Rhineland High Commission.

² This telegram of March 3 ran as follows:

'Havas Agency announces that amongst sanctions agreed to by Conference at London are:—

1. Occupation by Allied Forces of 3 Rhine forts.
2. Establishment of a Customs Frontier on Rhine under control of Allies.'

No. 448

Lord Kilmaarnock (Berlin) to Earl Curzon (Received March 10)
No. 390 [C 5052/5052/18]

BERLIN, March 3, 1921

My Lord,

The news that the Allied Governments have refused to regard the German counter-proposals in respect of reparation as affording even a basis for discussion¹ has been received with some consternation in Berlin. On the whole and speaking only of the situation as it exists to-day, the prevalent attitude would appear, however, to be rather one of listless apathy than of indignation such as existed at the time when the Paris decisions were made known. It would seem that the German public realise that between the determination of the Allies to enforce their demands and the repeated declaration of responsible members of the German Government that those demands are totally unacceptable there is a gap which no negotiation can bridge, and that there, therefore, only remains to submit with philosophy to such punitive measures as may be taken. There is also, as reported in my telegram No. 79 of yesterday,² together with the sincere desire that some agreement be reached, a distinct feeling in governmental and parliamentary circles that the negotiations have been mishandled by the Minister for Foreign Affairs, and that the

¹ See Vol. XV, Nos. 28-30.

² Not printed.

German case, such as it is, could have been presented in a far more favourable and, from the standpoint of the Allies, more palatable form.

With regard to a question closely connected with that of reparation, namely, the possibility of some form of union of economic interests between France and Germany, I have lately received information to which, since it comes from a well-informed source, I think it desirable to draw your Lordship's attention. I am informed that negotiations, the prime movers in which are MM. Stinnes, Vögler and Quaatz, three of the most prominent business men in Germany, are being conducted with a view to concluding a sort of trust of important French and German industrial interests. I am likewise informed that Walther Rathenau³ is working in the same direction. According to the same source, powerful American financial groups have intimated to French industrial circles that the latter cannot count on any financial assistance from America unless and until they come to an understanding with German industrial interests. It is also stated that many of the most influential business men in Germany consider economic co-operation with France desirable, because the result of the Conference in Paris has been to persuade them that England is not in a position to stand up to France.

Whatever may be the value of this information, it is not the first time that the idea has been mooted that the mutual interests of France and Germany require closer business and economic relations, and in my despatch No. 141 of the 22nd January last² I drew attention to this fact and to the possibility that such close co-operation might be detrimental to British interests. To take but one side of this complex question, it must not be forgotten that as a result of the war France is now the greatest producer of iron ore in the world, since her present production is in round figures about 52,000,000 tons a year, while she has vast untapped resources which are known to exist in her colonies. Germany, owing to the war, has had her own production reduced from about 28,000,000 tons to 7,000,000 tons in round figures, from which it will be necessary to deduct a further amount of about 200,000 tons should Upper Silesia become Polish. Since France is unable, at the present time, through lack of metallurgical coke and for other reasons, to transform more than a certain amount of this iron ore on French territory, she has sought to obtain a market for the raw material abroad. She would seem to have encountered great difficulties in this respect, and it is not unnatural that a scheme should appear attractive whereby she should find an outlet for this raw material in Germany in return for advantages from that country. The Franco-German economic negotiations which took place last year in Paris are reported to have been largely concerned with the conclusion of an arrangement for an exchange of Lorraine iron ore against German coal, and in particular in return for metallurgical coke. These negotiations did not come to anything, and one of the reasons for their failure may well have been the fact that the Germans have been adapting themselves to new circumstances, and are finding that they are not so dependent as had been anticipated on

³ Director of *Allgemeine Elektrizitäts-Gesellschaft*, Dr. Walther Rathenau was a leading member of the German Democratic Party and contributor to its organ *Berliner Tageblatt*.

supplies from Lorraine. The question thereby becomes of even greater concern for Great Britain in so far as German demands may increase the competition in the very areas whence the British supplies are drawn. It might be argued that compensation for this competition would be found in the availability of large French supplies, and some attempt was apparently made by British business interests some time ago to secure supplies of iron ore from Normandy, but here again a technical difficulty arose from the fact that this ore could not be properly treated in Great Britain without an adaptation of the necessary installations which would have entailed a very large expenditure on the part of the British industries involved, and no such arrangement therefore would appear to have been concluded.

I have drawn attention at some length to the well-known situation with regard to iron ore, because it constitutes the most obvious subject upon which a Franco-German understanding might be to the mutual advantage of both countries, but the same situation exists and the same arguments can apply in many other directions. It is obvious that a Franco-German economic rapprochement is not as unthinkable as at first sight it might appear to be. It has been freely discussed, it has been openly negotiated, and it is still being advocated in both countries by persons who have the power and ability to carry it into effect. Against it there is the feeling of hostility engendered by centuries of war, culminating in the last world conflict, but this feeling may perhaps be partly discounted when we consider that the Germans are beaten and will grasp any outstretched hand of help, while the French character is so constituted as not to allow sentiment to interfere in money matters. There is further the fact that failure to obtain adequate compensation from Germany, if and when this should occur, will constitute a potent argument in favour of co-operation, whereby France might obtain some share in any future profits in this country. If, therefore, there be any truth in the statement made to me that American interests are working in the same direction, the matter would appear to be one which should be taken into careful consideration in shaping the policy which His Majesty's Government should pursue in order to safeguard vital British interests.

Since the above was written I have had occasion to read the enclosure in Colonel Percival's despatch to your Lordship No. 368 of the 2nd instant,⁴ regarding negotiations by French groups for the acquisition of a share in Upper Silesian undertakings. The 'Creusot' were reported last year to be in negotiation with Herr Stinnes, a report which, I believe, was denied by the

⁴ Not printed. The enclosure was a report of February 25 by Mr. Saxton, British Member of the Economic Department of the Inter-Allied Plebiscite Commission in Upper Silesia, citing information given to him by a German industrialist. The report ran: '... the French, through a Mons. Weyl, (who represents or who has represented, the firm of Schneider-Creusot) are negotiating with representatives of Upper Silesian Industry, with the purpose of obtaining an interest in all the important undertakings in Upper Silesia. It is stated that he is backed by the French Government and a big financial syndicate, including, it is supposed, the Crédit Lyonnais and/or Levy. The French representatives profess themselves ready to take over 10-20% of all the shares of the Aktiengesellschaften and the same proportion of Anteile of privately owned concerns.'

French firm. Allowing, however, for the particular circumstances which may have led to the negotiations to which Colonel Percival refers, the fact remains that the report tends to confirm that the French—as in the case of the Skoda Works and in that of the tentative negotiations with Hungary—are endeavouring to obtain a foothold in Central Europe, and that these endeavours take the form most congenial to the French mind: financial participation which can be utilised as the ground for political influence.

I have, &c.,
KILMARNOCK

No. 449

Lord Kilmarnock (Berlin) to Earl Curzon (Received March 5, 10.15 a.m.).
No. 82 Telegraphic [C 4644/2740/18]

BERLIN, March 4, 1921, 7.45 p.m.

Results of London Conference¹ have so far produced less excitement than might have been expected. Some hope of further negotiations is still apparently entertained in organs of Press which stand near the Government. Tendency to criticize Doctor Simon's [*sic*] handling of the situation in London is evident in many quarters, and it is possible that an attempt may be made to re-paint facade of German proposals in more alluring colours though there does not seem to be much chance of fundamental alterations. Indeed tendency is to argue that German offer goes to limit of what is capable of fulfilment.

On the whole I am inclined to think that Germans regard applications of sanctions mentioned in Prime Minister's speech² with considerable apathy and as constituting lesser of two evils. Note is one of despondency rather than of defiance.

¹ See Vol. XV, Chap. II.

² Of March 3, see Vol. XV, No. 31, and *The Times*, March 4, p. 6.

No. 450

Earl Curzon to Mr. Robertson (Coblentz)
No. 11 Telegraphic [C 4523/2740/18]

*Urgent*¹

FOREIGN OFFICE, March 5, 1921, 4.30 p.m.

Information as to state of negotiations with German delegation and penalties decided on is contained in Prime Minister's speech published in full in this morning's papers.² We presume you have by now seen it.

¹ This telegram, which was drafted on March 4, was a reply to Coblentz telegrams Nos. 17 and 18 (See Nos. 447 and 447, n. 1).

² See No. 449, n. 2.

You will receive early information of any developments in the situation which may require action by the High Commission.

Meanwhile scheme submitted by French Government for customs measures in Rhineland will be sent to you by bag on March 7th.³

³ Despatch No. 34 of March 7, not printed (see below, No. 456, n. 1). A summary of the French proposal was sent to Mr. Robertson in Lord Curzon's telegram No. 14 of March 7 (No. 453 below).

No. 451

Lord Hardinge (Paris) to Earl Curzon (Received March 6, 10 a.m.)

No. 129 Telegraphic [C 4658/2740/18]

PARIS, March 5, 1921, 8.15 p.m.

Press and public of all shades of opinion except Extreme Left and Right greet with warmest approval Prime Minister's speech at Conference on March 3rd;¹ there can be no doubt that the whole country is deeply moved at 'incomparable eloquence with which he made himself the advocate of France' and pictured the wanton destruction inflicted on her by Germany. Earnest hope is expressed that his words may receive the widest publicity in Germany and bring home to the whole German people enormity of their crime and crying need for reparation. Monsieur Briand is heartily congratulated on the success in bringing Allies to understand the reasonableness of the French demands.

There is great satisfaction at the re-establishment of intimate Anglo-French relations and unity of Allied front, also at the impression which must consequently be made on the new United States Government.² There is however some apprehension lest invitation to the Germans to produce reasonable proposals may provide them with the opportunity for dividing the Allies; 'constant not intermittent firmness' and 'real guarantees' are wanted, for pressure may have to be maintained for many years even if Germany now complies on paper with the Allied demands, as she is neither disarmed nor resigned. There is also some scepticism as regards efficacy of the 50% tax on German exports. Seizure of the Rhine ports is welcomed as likely to weaken the hold of Stinnes etc. on the German Government. 'Pertinax'³ reflects the national feeling by acclaiming the customs sanctions as the first step towards dissociating Rhineland from economic life of Germany, and says that they will only be effective in proportion as they constitute the menace of separation.

¹ See No. 449, n. 2.

² The new administration under President Harding, who was inaugurated on March 4.

³ M. André Géraud, a leading French political journalist.

Mr. Robertson (Coblentz) to Earl Curzon (Received March 7, 10.40 a.m.)

No. 20 Telegraphic [C 4724/2740/18]

Urgent

COBLENZ, March 6, 1921, 4.30 p.m.

My telegram No. 18.¹

I have now read in the 'Times' Prime Minister's speech containing Allied decisions.² I would urge consideration of following points. Supervision and collection of customs dues along Rhine would be easy from a practical point of view as there are only fourteen points of crossing by road or rail over river.

Line running round bridge heads would be much more complicated; there would be thirty one points of entry by rail and fifty four by main roads to say nothing of minor roads. Frontier would be neither political nor economic.

Difficulty to be overcome in either case will be that of fixing proper tariffs and gathering³ of effects of such tariffs on economic conditions in Rhineland. As existing Western customs barrier apparently remains, the effect of introducing second customs barrier against Germany would be to convert Rhineland not into another Saar State⁴ but into another German-Austria, so far as economic conditions are concerned. Saar State is at present in a desperate economic plight largely owing to the fact that it is cut off from its former German customers and has not yet found an adequate outlet for its manufactures in France notwithstanding the fact that there is no customs barrier between Saar and France.

If we wish to avoid economic disturbances of a very serious nature taking place in Rhineland it is necessary to constitute a state which economically would suffice unto itself. It is admitted that occupation territorially as it exists to-day does not fulfil these conditions and necessity of adding fresh territory to it, in particular a portion of Ruhr area, becomes apparent. By far the larger proportion of goods manufactured in occupied territory go to un-occupied Germany and a very large proportion of raw material and semi-raw materials used by manufacturers in occupied territory, especially steel, iron, (?chemicals) for dye making etc. are obtained from un-occupied Germany.

It would take a very long time for matters to adjust themselves if these established trade channels were interfered with in any way. Manufacturers and consumers in occupied territory would either be unable to obtain the usual supplies or would have to pay more for them as they would be taxed. Cost of living in the occupied territory would certainly increase, also the wages, and result in increased cost of production coupled with the difficulty of finding new markets would in time, if not immediately, deal serious blow to industrial life of occupied territory.

Take the case of the dye-stuffs industry for instance. Seven largest works

¹ No. 447.

² See No. 449, n. 2.

³ This word was queried in the Foreign Office.

⁴ For the conditions regulating the Saar see Articles 45-50 of the Treaty of Versailles.

in Germany producing 85 % of all German dye-stuffs are located in occupied territory. These concerns, now amalgamated, obtain coal from their own mines and (? chemicals) . . .⁵ from their own subsidiary works which are all in un-occupied territory. It is easy to imagine what the effect of a Customs barrier on this industry alone, not to mention general cost of living in occupied territory, would be.

In any case occupied territory would certainly suffer severe harm if a . . .⁵ scheme . . .⁵ as suggested were adopted and it is at least doubtful if Reparations Commission would derive much benefit.

French appear carefully to have prepared their ground here and have collected much information. I imagine High Commission will be instructed to consult Reparations Commission on the whole question. Joint meeting is essential. But apart from this I should be glad of opportunity of receiving precise instructions from His Majesty's Government as to attitude I am to adopt in this important matter as French are likely to have coveted opportunity of exploiting the Rhineland for their own ends.

⁵ The text is here uncertain.

No. 453

Earl Curzon to Mr. Robertson (Coblenz)

No. 14 Telegraphic [C 5124/2740/18]

Confidential

FOREIGN OFFICE, March 7, 1921, 10 p.m.

With reference to my No. 13,¹ the following explanatory message is for your personal use.

Begins:

French proposal is that a purely statistical duty should be levied on goods passing from Occupied to Unoccupied Germany, but that a substantial tariff should be levied on goods passing from Unoccupied to Occupied Germany. The latter duty would be levied at first at half rates to allow time for necessary economic adjustments.

British Government agree in principle, but consider that details and rates require careful examination to secure that economic life of occupied Germany is not destroyed or fatally impaired, as well as to provide against practical difficulties signalled in your telegram No. 20 of 6th March.²

For the time, at any rate, we regard this proposal as a temporary penalty which we hope will suffice to bring Germans to book and for this purpose we may be content to waive difficulties which would be serious if we expected this new Customs line to be permanent.

¹ Vol. XV, No. 46, Appendix.

² No. 452.

No. 454

Mr. Robertson (Coblenz) to Earl Curzon (Received March 8, 9.30 p.m.)
No. 21 Telegraphic [C 4903/2740/18]

Urgent

COBLENZ, March 8, 1921, 4.30 p.m.

High Commissioner's telegram of to-day to Prime Minister,¹ which follows, does not adequately express doubts present in my mind.

Is Eastern Customs frontier intended mainly as a punitive measure and not for purposes of raising revenues? Last paragraph of your telegram No. 14² appears to give affirmative answer to this question but amount of tariff rates largely depends upon reply.

I anticipate great difficulty in proposing rates which will not gravely affect industries and life of occupied territory on which nearly whole burden of sanctions will fall. If we place high import duties on raw material, industries must soon close down. High import duties on finished goods will raise already high cost of living and may very likely lead to serious strikes and disturbances. Duty on exports, which is what we are at present rather inclined to recommend, would probably lead to lessened production or accumulation of stocks. This would not I think be serious if measures were of a temporary nature but German Government may prove obdurate for a long time in face of present measures. I should be most grateful if a tariff expert could be sent to me at once. None of us have experience in framing tariffs.

¹ Vol. XV, No. 47, Appendix.

² No. 453.

No. 455

Lord Hardinge (Paris) to Earl Curzon (Received March 10)
No. 136 Telegraphic: by bag [C 5010/2740/18]

My despatch No. 730 of yesterday.¹

PARIS, March 9, 1921

French press in general takes for granted that rupture of negotiations with Germans implies cancellation of Paris Agreement and return to provisions of Treaty of Versailles, viz: payment by Germany of twelve milliards to complete twenty milliards due before May 1st and definition by Reparation Commission before May 1st of total amount due from Germany.

Yesterday evening's *Temps* disclaims any intention by France of dismembering Germany. France's only wish is that Allies should collectively hold guarantees in order to obtain payment.

Lord D'Abernon is subject of violent attack in yesterday's *Paris Midi*; and other papers make hostile allusions to his attitude during London negotiations.

¹ Not printed. In this despatch Sir M. Cheetham reported that the French press was almost unanimous in condemning the terms '... of the compromise which, according to the news from London, had been offered to the German delegation on the initiative of Mr. Lloyd George and with the assent of Monsieur Briand'. He went on to report: 'It was, therefore, with the greatest relief that the news was received last night of the rupture of the negotiations and the immediate enforcement of the sanctions.'

No. 456

Mr. Robertson (Coblentz) to Earl Curzon (Received March 10, 6 p.m.)
No. 23 Telegraphic [C 5064/2740/18]

COBLENZ, March 10, 1921, 12 noon

Your despatch No. 34 of March 7th.¹

I do not quite understand stage which draft agreement has reached. Is this draft to form a basis of discussion and is High Commissioner expected to express an opinion?

At first glance the financial clauses appear to involve taking over of entire administration of occupied territories by High Commissioner. This is open to objection that occupied territories inside their present boundaries do not form a self-contained whole and are not self-supporting. The customs measures can be brought into effect without necessarily taking over at the same time the financial control.

Latter measure might be held in reserve pending developments.

¹ Not printed. This despatch transmitted to Coblentz a copy of a draft agreement concerning customs measures to be taken in the occupied territory. The draft embodied 'a scheme submitted by the French Delegation at the present interallied Conference to an interallied Committee of experts'.

No. 457

Memorandum by Lord D'Abernon¹
[C 5325/2740/18]

Secret, Private and Confidential

LONDON, March 10, 1921

It may be a mistake to conclude hastily that the London Conference was a failure, for it may turn out to mark an important stage towards final settlement.²

If the different demands put forward by the Allies as a result of the Paris Conference³ are examined in detail it will be found that the German delegation in London agreed to almost all the most important conditions.

They agreed to the Paris plan for the first five years.

They agreed to the 12 per cent. on exports taken as an index of an additional variable annuity.

At the end of the five years they agreed to the principle of a variable annuity dependent on German prosperity, this plan being taken as an alternative to a certain portion of the fixed annuities established in Paris.

Outside the points mentioned in Paris, both sides agreed in principle to reduce the forty-two years to thirty years.

¹ This memorandum is also printed in D'Abernon, vol. i, pp. 130-2.

² For the proceedings of this conference see Vol. XV, Chap. II.

³ See *ibid.*, Chap. I.

Both sides agreed to the mode of payment proposed by Mr. Lloyd George, under which importers from Germany should pay 50 per cent. of the purchase price to their national Treasury.

Further, both sides agreed to the proposal that different creditor countries should receive payments in different forms—*e.g.*, France, per coal; England, per 50 per cent. on imported goods.

As to the reserves made by the German delegation, which are probably the main cause of the break-down of the Conference, the most important of these reserves was that regarding Upper Silesia; but the fate of Upper Silesia will be determined in the course of a few weeks,⁴ and the reserve will, therefore, evaporate.

The other three reserves, namely:—

- (a) That regarding the right to borrow;
- (b) The demand for favourable treatment for German commerce; and
- (c) Liberty for the German Government to control their own customs tariff,

are, in my opinion, of very minor importance. All of them could be adjusted with a certain amount of negotiation.

What then are the points outside the reserves which caused the break-down? The main difficulty was to obtain agreement regarding the immediate fixing of the total sum of indebtedness, together with the demand for minimum payments after the first five years without any reserve as regards the economic prosperity of Germany.

On these points it would seem that further discussion should soon lead to agreement, more particularly if the difficulty of fixing the total sum of reparation is turned by increasing the amount of the variable annuity from the sixth to the thirtieth year and diminishing the amount of the fixed annuity.

The Prime Minister's proposal to this effect was accepted in principle by the German delegation.

It would thus seem, on a general review of the discussion, that considerable progress was made towards agreement, and the parties are not now separated by any divergences of view which would not be amenable to reasonable discussion.

The Conference in London was hampered from the start by two facts—that Dr. Simons had not public opinion in Germany behind him in his endeavour to reach a reasonable compromise, while the French delegation practically had no powers of discussion or negotiation, and were cramped by an imperative and narrowly restricted mandate. If the delegates who represented France and Germany had enjoyed the normal latitude usually conferred on men of far inferior rank and status, there can be little doubt that a settlement would have been arrived at.

D'A.

⁴ The plebiscite in Upper Silesia was held on March 20, see Vol. XI, Chap. I, but the final settlement was delayed until June 1922. See Chap. II of this volume.

Earl Curzon to His Majesty's Representatives at La Paz, Rio de Janeiro, Peking, Havana (for Cuba and Haiti), Quito, Athens, Guatemala (for Guatemala, Honduras and Nicaragua), Monrovia (Liberia), Panama, Lima, Warsaw, Lisbon, Bucharest, Belgrade, Bangkok, Prague, Monte Video, Cairo

Circular No. 15 Telegraphic [C 5322/2740/18]

FOREIGN OFFICE, *March 11, 1921, 9 p.m.*

In view of the failure of the German Government to accept the Paris decisions respecting reparation, or to make a satisfactory counter-offer, the Inter-Allied Conference sitting at London has decided to apply the following sanctions to Germany:—

1. To occupy the towns of Duisburg, Ruhrort and Dusseldorf on the right bank of the Rhine;
2. To obtain powers from their respective Parliaments requiring their nationals to pay a certain proportion of all payments due to Germany on German goods to their several Governments such proportion to be retained on account of reparations.
3. (a) The amount of the duties collected by the German custom houses on the external frontiers of the occupied territories to be paid to the Reparation Commission.
(b) These duties to continue to be levied in accordance with the German tariff.
(c) A line of custom houses to be temporarily established on the Rhine and at the boundary of the Têtes de Ponts occupied by the allied troops; the tariff to be levied on this line, both on the entry and export of goods, to be determined by the Allied High Commission of the Rhine territory in conformity with the instructions of the allied governments.

Conference also agreed:—

1. To communicate these sanctions to the Allied and Associated Powers not represented at the Conference, drawing attention to sanctions (2) and (3) and, as regards sanction (2), inviting those Powers entitled to a share of reparation payments¹ to take similar action with as little delay as possible.
2. To send an official notification to all neutral Powers of the imposition of the three sanctions.²

¹ Printed from an amended copy. The preceding seven words were added to the amended telegram and were communicated in Foreign Office Circular telegram No. 18 of March 12.

² The above text was communicated to Sir A. Geddes at Washington in telegrams Nos. 141 and 143 of March 11 and 12 with a final paragraph as follows: 'Please communicate the above to the United States Government, and say that, since they were not represented at the London Conference, the Allied Governments are anxious that they, as one of the principal Allied and Associated Powers, should have early and full information of the measures which

These conclusions should be communicated forthwith to the Government or Governments to which you are accredited,³ and in concert with your French, Italian, Belgian and Japanese colleagues you should invite the prompt consideration of sanction (2) with a view to the early initiation and passing into law of any legislation which may be required to give effect to this sanction. You will no doubt inform us as soon as possible of the decision of the Government or Governments to which you are accredited regarding the application of sanction (2).

it has been decided to take.' The same text was communicated in Circular telegrams Nos. 17 and 20 of March 11 and 12 to H.M. Representatives at Adis Ababa, Buenos Aires (for Argentina and Paraguay), Santiago, Bogota, Copenhagen, Helsingfors, Mexico, The Hague, Christiana, Teheran, Madrid, Stockholm, Berne, Caracas, with an initial paragraph as follows: 'Please communicate the following from the Inter-Allied Conference to the Government or Governments to which you are accredited for their information.'

³ A note on the original read: 'In last paragraph passage beginning "and in concert" to end of paragraph has been cancelled in telegrams sent to Peking, Quito, Guatemala, Panama, Monte Video and Cairo.'

No. 459

Earl Curzon to the British Representatives at La Paz, Rio de Janeiro, Peking, Havana (for Cuba and Haiti), Quito, Athens, Guatemala (for Guatemala, Honduras, Nicaragua), Monrovia (Liberia), Panama, Lima, Warsaw, Lisbon, Bucharest, Belgrade, Bangkok, Prague, Montevideo, Cairo
Circular No. 16 Telegraphic [C 5197/2740/18]

FOREIGN OFFICE, March 11, 1921, 10 p.m.

My immediately preceding telegram Circular.¹

The following is a summary² of a Bill to be introduced to-day into the House of Commons giving effect, so far as the British Government is concerned, to the second sanction imposed on Germany by the Inter-Allied Conference at London under which the Allied Powers have agreed to obtain authority from their respective Parliaments requiring their nationals to pay a certain proportion of all payments due to Germany on German goods to their several Governments, such proportion to be retained on account of reparations.

It will be understood that this summary contains the main features of the bill as introduced, but that these features may undergo modification before the bill passes into law.³ You will be notified from time to time of any substantial alteration.

(1) Collection on importation of German goods up to half the value thereof.

¹ No. 458.

² This summary was also included in Circular telegram No. 17 of March 11, which was given the distribution indicated in No. 458, n. 2.

³ For the final text of the German Reparation (Recovery) Act, see No. 495, n. 3, below.

(2) Relief to the importer of the amount so paid of his liability to the exporter.

(3) Application of sums collected towards satisfaction of Germany's liability under parts VIII and IX of treaty.

(4) German goods defined as goods first (e.g. originally) consigned from Germany, and goods consigned from other countries if 75% or upwards of the value of the goods is attributable to German manufacture or production.

(5) Powers of granting relaxation on recommendation of Committee consisting mainly of business men.

You will receive in due course a copy of the bill, but in the meantime it may be useful to the Government to which you are accredited to have a summary of the British proposals.⁴

⁴ Copies of Circular telegrams Nos. 15, 16, and 17 of March 11 were communicated to the Colonial Office.

No. 460

Mr. Robertson (Coblentz) to Earl Curzon (Received March 13, 11 a.m.)

No. 26 Telegraphic [C 5206/2740/18]

Confidential

COBLENZ, March 12, 1921, 5.20 p.m.

American General¹ has informed High Commission in confidence that he hopes to be able to allow it to establish customs posts in his area. He has not asked United States Government for instructions and hopes not to receive any.² He requested that above might be kept confidential.

General insists that all three Allied nationalities shall be represented in American area not one only. High Commission agree to this. His Majesty's Government will no doubt be able to send me the necessary customs officials and accountants for all purposes. In my telegram No. 24³ I asked for ten [British officials]; one of these should be trained accountant. I shall probably have to ask for more later on. The matter is urgent as French are already making all arrangements and I shall have to admit their assistance . . .⁴

¹ Major-General H. T. Allen, General commanding American Forces in Germany and American observer on the Inter-Allied Rhineland High Commission.

² See *F.R.U.S.* 1921, vol. ii, p. 37.

³ Of March 10, not printed.

⁴ The text is here uncertain.

No. 461

*Letter from Mr. Robertson (Coblentz) to Mr. Waterlow
(Received March 18)*

[C 5657/2740/18]

My dear Waterlow,

COBLENZ, March 14, 1921

You will have seen a telegram in *The Times* of Friday, 11th March,¹ which purports to give the views of members, presumably British members, of the Rhineland High Commission. I should like you to know that I in no way

¹ i.e. on p. 10.

inspired this telegram and it was sent off before the author of it had even seen me. It was based on information which he gathered from our people in Cologne. That said, I should like to add that I agree with almost every word of the telegram! ! To tell you the honest truth, I am very anxious about these 'Sanctions' and do not quite see what the result of them is going to be beyond the inevitable ruin of the Rhineland. I think you will admit that the High Commission has been somewhat badly treated. We were not consulted beforehand and we are now told to draw up a Report 'immediately', in fact, to frame a brand new Customs Tariff which, if it is to be done well at all, would obviously take months to prepare. None of us has received any help or guidance from our Governments; none of us has the smallest idea what our Governments wish us to do, and so far I have failed to elicit from you anything but the most meagre replies to my telegrams.

It is an obvious proposition that if you tear a limb from the body the limb is likely to wither and die. That is what is being done with the Rhineland. The whole of its economic life is absolutely dependant [*sic*] upon Unoccupied Germany, and if we put 'substantial duties' on imports from Unoccupied into Occupied Territory, Rhineland industries must cease to exist in a very short time. The imports from Unoccupied to Occupied Germany consist mainly of:

- (1) Foodstuffs of prime necessity;
- (2) Raw materials necessary for the Rhineland industries.
- (3) Semi-finished goods which come here to be finished.

If we put substantial duties on any of these, you can easily imagine what the result would be; unemployment, famine, strikes, disturbances. As to finished goods, these largely consist of clothing; shirts, underclothing, suits of clothes, etc. Working men can hardly afford to buy them at their present prices; if we put a duty on they will not be able to buy them at all.

However, we must do as we are told, and we will send you some kind of a tariff for the consideration of the Allied Governments. They will, no doubt, realise that our suggested tariff is a work that has not been carefully considered in all its details as it should have been, for the simple reason that we have to prepare it immediately in accordance with instructions. What it is expected to get out of it I cannot imagine. The total receipts from the German Customs for the whole of Germany during last year only amounted to some 12 million pounds sterling. The maximum we can get out of the Rhineland even supposing that all goes well and that everybody plays the game, will be about 3 million sterling. It will not even be that, if the Germans refuse to pay their customs officials and others and we therefore have to pay them ourselves out of the proceeds of the customs.

I need hardly say that the French are doing their best to get the whole show into their hands and I am having quite a difficult time. You will have realised the importance of my request for customs officials² and for reinforcements for our Army in the Cologne area which is by far the most difficult on

² See No. 460.

the whole front. Unless I have men of my own and unless General Morland is reinforced, it is an obvious proposition that the whole frontier will be completely in the hands of the French, for I shall have to accept their continuous offers of help which I am now staving off.³

From your telegram to me (No. 14 of 7th March)⁴ I gather that His Majesty's Government hope that the 'Sanctions' will bring the German Government to book. I have no such hope. They show not the smallest sign of giving way, and the Customs regime that we set up will probably have to last for a very considerable time. It is this that makes me anxious; for if we put on light duties we shall get no revenue; if we put on heavy duties we shall ruin the Rhineland. The Germans have stuck their toes into the ground and I do not see that any further occupation of German territory is going to help matters. There is, to my mind, but one solution, and that is, to re-establish the blockade, but I realise that it is most improbable that the rest of the world will agree to this.

In any case, I most earnestly hope that the Allied Governments will be indulgent to the High Commission. They have set us an almost impossible task without any warning and I am very anxious as to the results. I should like to have been sent for and to have discussed the matter with the proper British Authorities at home. As this has not been done I must carry on as best I can here and try and guess what you want me to do.

The above is written a great deal more in sorrow than in anger, for I quite realise your difficulties over there. You may count on me to do my best on this side, but I confess that it would help me if someone would give me an exact idea of what the policy of His Majesty's Government in this matter is and how far they wish me to go in fighting the French. Tirard⁵ himself is inclined to be reasonable, but he is completely run by his young, pushing and unscrupulous subordinates. Fortunately for me I have Troughton,⁶ Georgi⁷ and Ryan,⁸ all of them towers of strength. If only we knew exactly what you wanted we could, I think, do pretty well.

Yours ever,

ARNOLD ROBERTSON

In his telegram No. 25 of March 12, not printed, Mr. Robertson stated: 'General Morland [General Officer, Commander-in-Chief, British Army of the Rhine] informs me he requires a reinforcement of 800 men at least to form necessary posts. . . . If these men are not sent (? French) (? will) (? ask) to form these posts with French troops and it will be impossible to refuse as frontier would otherwise not be guarded.' Mr. Robertson repeated the request for reinforcement in his telegram No. 27 of March 14; Lord Curzon minuted this telegram: 'W[ar] O[ffice] have I understand refused.' In a note of March 10, the Chief of the Imperial General Staff, who had received a request for reinforcements from General Morland, pointed out that four battalions from England would be required, 'which . . . we are not in a position to spare'. He added: 'I spoke to Marshal Foch on the subject, and he is as strongly opposed to it as I am.'

⁴ No. 453.

⁵ French High Commissioner and President of the Inter-Allied Rhineland High Commission.

⁶ Captain E. R. Troughton.

⁷ Captain W. C. H. M. Georgi, a coal expert attached to the Inter-Allied Rhineland High Commission.

⁸ Lieutenant-Colonel R. S. Ryan, Deputy British High Commissioner on the Inter-Allied Rhineland High Commission.

Lord Kilmarnock (Berlin) to Earl Curzon (Received March 16, 11.20 a.m.)
No. 105 Telegraphic [C 5491/4137/18]

BERLIN, March 15, 1921, 8.20 p.m.

Reichsbank has stopped cashing cheques on London and Paris and most banks are following suit. Only telegraphic transfers are being made.

Reason for this measure is stated in press to be uncertainty as to treatment to be accorded to existing German bank balances and German goods already in England and France under provisions of laws with regard to retention of 50% of purchase price of German goods. Press also states that all exports to England and France will probably cease as it is more than doubtful whether German Government will compensate exporters.

Bank at first declined to cash cheques from this Embassy this morning and only did so on grounds of courtesy and on the understanding that compensation would be forthcoming if 50% of proceeds were retained in England.

As I understand measure it will be obligatory on British importer to pay 50% of purchase price of imported goods to British authorities and will not affect Bank transactions in respect of cheques. That is, if a British importer were to be so foolish as to pay the whole of purchase price by cheque on a British bank he would be compelled to pay for his mistake and there would be no question of going back on transaction. If this interpretation be correct it might be advisable to publish some statement to this effect in German press. Fear that law may apply to existing bank balances and German goods already in United Kingdom appears to be in any case groundless in view of assurances given to German Government¹ in respect of paragraph 18 of Annex 2 of part 8 of Treaty. It would perhaps be as well to reassure German public on this point. If you agree I request instructions as to precise form which such declaration should take.²

¹ See Vol. X, No. 386.

² In a minute dated March 9, Mr. Bland (Private Secretary to Sir E. Crowe) stated: 'In the course of a conversation which I had with a member of the Foreign Department of Barclay's Bank who came to see me this morning, I was informed by him in strict confidence that since noon yesterday practically the whole of the German deposits with his bank, amounting in all to over a million sterling, had been withdrawn by means of Mark drafts on Berlin. The withdrawers included commercial houses, as well as certain leading German banks, amongst others, the Deutsche Bank.' Sir E. Crowe minuted: 'This is rather grave. The explanation may be a fear that the proposal of the Allies to interfere with the payment here of goods ordered from Germany (by the levy of a percentage on the price) may affect our previous undertaking not to seize German bank balances in this country.' Lord Curzon added: 'I shewed this to P.M.'

No. 463

Lord Kilmarnock (Berlin) to Earl Curzon (Received March 16, 9.50 a.m.)
No. 104 Telegraphic [C 5490/2740/18]

BERLIN, March 15, 1921, 8.25 p.m.

I hear from good source that German Government (? circle)s state that they have no intention of making first step towards renewal of negotiations on reparation question. Although they do not expressly say so they appear to be counting on dissatisfaction with results of sanctions in business circles in Allied countries.¹

¹ In his speech in the Reichstag on March 12, Dr. Simons said that he 'did not . . . in any way commit the German people and the German Government to entering immediately into negotiations'. The text of this speech was sent to the Foreign Office by Reuters on March 14.

No. 464

Summary of the various Proposals for a Settlement of the Reparations Question made at Boulogne, Brussels, Paris and London, June 1920–February 1921¹
[C 5580/2740/18]

FOREIGN OFFICE, March 16, 1921

(A)—*Reparation Clauses of Treaty of Versailles*

1. German liability to consist of payment for all damage done to Allied civilian populations and their property. (Article 232.)

2. By the 1st May, 1921, the Reparation Commission—

(a) To notify Germany of the total amount of this liability; and

(b) To present Germany with a schedule of payments for discharging this liability within thirty years. (Article 233.)

3. The Reparation Commission to have power to modify this schedule, but not to cancel any of the liability. (Article 234.)

4. Germany to pay (in gold and commodities) before the 1st May, 1921, equivalent of 20 milliards of gold marks. (Article 235.)

(B)—*The Boulogne Agreement, June 21, 1920²*

German debt to be fixed as follows:—

1. Cost of armies of occupation.

2. Forty-two annuities of 3 milliards gold marks running from the 1st May, 1921; five annuities of 3 milliards gold marks running from the 1st May, 1925; thirty-two annuities of 4 milliards gold marks running from the 1st May, 1931: equals 269 milliards gold marks.

¹ This summary was drawn up by R. F. Wigram. It is printed in D'Abernon, *An Ambassador of Peace*, vol. i, pp. 135–9.

² For details of the First Conference of Boulogne, June 21–22, 1920, see Vol. VIII, Chap. V.

3. Annuities paid before falling due to be capitalised at following rates of interest:—

8 per cent. to May 1, 1922.

7·50 per cent. in 1922–23.

7 per cent. in 1923–24.

6·50 per cent. in 1924–25.

6 per cent. in 1925–26.

5·50 per cent. in 1926–27.

5 per cent. in 1927–28 and following years.

(C)—*Herr Bergmann's Suggestion to Lord D'Abernon, January 18, 1921*³

Following conditions to form basis of discussion:—

1. Cost of armies of occupation not to exceed 240 millions gold marks per annum.

2. (a) Temporary arrangements for five years, based on annuities of 3 milliards gold marks; first two annuities to be 2 milliards only and remainder a minimum of 3 milliards.

(b) Fixation of capital debt to be arrived at as soon as possible.

3. Whole offer subject to result of Silesian plebiscite.

(D)—*Allied Experts' Recommendations, Brussels, January 1921*⁴

1. Limitation of costs of armies of occupation to 240 millions gold marks per annum.

2. Five annuities on scale of magnitude of 3 milliards gold marks.

3. Fixation of capital debt at as early a date as possible.

4. No cancellation of plebiscite in Upper Silesia, but inter-Allied control of coal distribution after plebiscite.

5. No interference in German public finance under article 248 or with customs provided obligations are carried out.

6. No concession as regards sequestered and liquidated property other than in very minor and personal instances.

7. Assurances to Germany that economic clauses of treaty will not be used to hinder German trade.

(E)—*Paris Proposals, January 29, 1921*⁵

1. Forty-two annuities, running from the 1st May, 1921, of—

(a) 2 milliards gold marks for 2 years.

(b) 3 " " 3 "

(c) 4 " " 3 "

(d) 5 " " 3 "

(e) 6 " " 3¹ "

equals 226 milliards gold marks plus 12 per cent. on German exports.

³ See No. 430.

⁴ See No. 429, n. 1.

⁵ See No. 431, n. 4, and 432, n. 2.

2. Annuities to be discounted at—

8 per cent. until the 1st May, 1923.

6 per cent. from the 1st May, 1923, to the 1st May, 1925.

5 per cent. from the 1st May, 1925.

3. No State credit operation outside German territory without consent of Reparation Commission.

4. Reparation Commission to hold watching brief over German customs with power to administer if Germany defaults in her reparation obligations.

(F)—*Dr. Simons's Offer, March 1, 1921*⁶

1. Present value of Paris annuities (discounted at 8 per cent.) is calculated at 50 milliards gold marks.

2. This capital sum (less deliveries under article 235, valued at 20 milliards gold marks), 30 milliards gold marks.

3. Germany will pay this by—

(a) Issuing a loan of 8 milliards gold marks (said to be equal to 10 milliards deferred payment), to be raised in the world markets. This loan to be free of taxation and to be at lowest possible rate of interest.

(b) Five annuities of 1 milliard gold marks running from the 1st May, 1921. These annuities to be credited to the rate of interest—5 per cent.—of the amount of the reparation debt not immediately covered by the loan or annuities. Interest thus uncovered shall be added to capital amount on the 1st May, 1926 (about 22 milliards gold marks).

4. This offer conditional upon—

(a) Upper Silesia remaining German.

(b) Removal of restrictions upon commercial relations.

(c) Relief from further payments or deliveries under treaty.

(d) Renunciation of Allied right of liquidation of private German property.

(G)—*Mr. Lloyd George's Reply, March 3, 1921*⁷

Germans must accept Paris proposals or submit counter-proposals which will in other equally satisfactory ways discharge their obligations under the treaty (subject to Paris concessions).

(H)—*Dr. Simons's Offer, March 7, 1921*⁸

Will accept Paris amounts for first five years and will give full equivalent for 12 per cent. export tax, though at least 8 milliards will be paid by raising a loan (with priority over claims in article 248). Has authority to make no definite offer for fixing capital amount of debt (and, when questioned privately, will not say whether he can make an offer for remaining twenty-

⁶ See Vol. XV, No. 27.

⁸ See Vol. XV, No. 43.

⁷ See No. 449, and Vol. XV, No. 31,

five years such as to equal Paris proposal). Offer for first five years conditional upon reservations regarding—

- (a) Upper Silesia.
- (b) No economic restrictions on German commerce.
- (c) No restriction on German borrowing powers, as contemplated in Paris agreement.
- (d) No interference with customs, as contemplated in Paris agreement.

(I)—*Mr. Lloyd George's Reply to Dr. Simons, March 7, 1921*⁹

Dr. Simons's offer unacceptable, as—

- 1. Subject to Upper Silesia plebiscite.
- 2. Contains no definite offer after first five years.

⁹ See Vol. XV, No. 45.

No. 465

Mr. Robertson (Coblenz) to Earl Curzon (Received March 16, 2.45 p.m.)
No. 29 Telegraphic [C 5528/2740/18]

Most urgent

COBLENZ, March 16, 1921, 12 noon.

I have received no answers to my telegrams Nos. 24 to 28 inclusive.¹

Unless I can have assurances from His Majesty's Government that necessary customs officials and reinforcements will be sent I shall have no alternative but to allow French to take over whole line. Matter is most urgent. French customs officials have already arrived and their control posts are being established. I am being pressed to take similar action.

¹ For Coblenz telegrams Nos. 24 to 27 see Nos. 460, 460, n. 3, and 461, n. 3. In his telegram No. 28 of March 15, not printed, Mr. Robertson stated:

'Following are full details of customs officials whose services I consider essential if customs organization in British zone is to be effective.

'One senior official to supervise head customs house in Cologne. Qualifications, good knowledge of accountancy essential, knowledge of German most desirable, experience of customs work useful.

'Four officials to supervise sub-offices. Qualifications, knowledge of customs work.

'Sixteen officials to supervise customs examinations at customs posts. Qualifications, intimate knowledge of customs routine.

'It is desirable that as many of these officials as possible speak German. This makes a total of twenty-one officials being eleven more than asked for in my telegram No. 24. . . .'

Mr. Waterlow minuted on March 16: 'No answer can be returned to Mr. Robertson until the Cabinet have decided whether to send British troops and customs officials (but I imagine there is no large body of customs experts available); or to leave it all to the French.'

Mr. Tufton commented: 'This measure is going to create a good deal of odium for the allies in the Rheinland, & I am inclined to leave the French to incur it, by finding all the Customs officials required.'

Sir E. Crowe added: 'Whilst sympathising with the view expressed by Mr. Tufton, I should be sorry to see the French overrunning our portion of the occupied territory, if this can be avoided by our sending out British Customs Officials.'

Earl Curzon to Sir R. Graham¹ (The Hague)

No. 178 [C 5496/2740/18]

Sir—

FOREIGN OFFICE, *March 16, 1921*

The Dutch Minister came to see Sir E. Crowe on March 14th, having returned from Rome in the middle of his leave at the express request of his Government, who, he explained, were seriously alarmed at what they believed to be the intentions of the British and allied Governments towards Germany. Monsieur van Karnebeeck² had apparently read into the statements made by Mr. Lloyd George on the subject of the proposed fifty per cent levy on German imports the meaning that this was only the precursor of practically a re-establishment of the blockade. Great excitement, he understood, prevailed in Holland lest His Majesty's Government should ask to have the Netherlands Overseas Trust³ set up again, with all its control over Dutch shipping, Dutch exports and Dutch trade with Germany.

2. Sir E. Crowe said that he was completely at a loss to understand how such an apprehension could have arisen. There was nothing in anything that Mr. Lloyd George had said to give the slightest colour to it; and indeed Monsieur van Swinderen admitted that, having since carefully read Mr. Lloyd George's statements, he himself could find in them no justification for Dutch fears. He said, however, that these fears had been accentuated by what he described as 'the allied military movements in the neighbourhood of the Limburg frontier'. When Sir E. Crowe asked him what he meant, he explained that he referred to the occupation of Duisburg,⁴ which was not very far from the Dutch frontier. Sir E. Crowe gathered that the Dutch were alarmed at the thought that there would be an armed conflict between Belgian troops in the freshly occupied districts and the 'Germans'. Monsieur van Swinderen maintained that there had been Belgian statements to the effect that, if in such a contingency the Belgian forces had to retire, they would not hesitate to cross Dutch Limburg, just as the retreating Germans had done in 1918.

3. Sir E. Crowe said that he found it very difficult to take these statements seriously: there were no hostilities either taking place or threatening, and to talk of the occupation of Duisburg as a menace to Dutch Limburg seemed to him pure moonshine.

4. Monsieur van Swinderen asked whether he might definitely assure Monsieur van Karnebeeck that, both as regards the re-establishment of the blockade machinery of the war and as regards military movements near the Dutch frontier, the apprehensions to which he had given expression were

¹ H.M. Ambassador at the Hague.

² Dutch Minister for Foreign Affairs.

³ For a description of this Trust, the *Nederlandsche Overzee Trustmaatschappij*, and details of its work, see S. L. Bane and R. H. Lutz, *The Blockade of Germany after the Armistice 1918-1919* (Stanford and London, 1942), pp. 823-4, and *passim*.

⁴ See No. 458.

absolutely groundless. To this Sir E. Crowe replied that he could unhesitatingly do so. He then complained a little bitterly of having been brought back from Rome to London merely for the purpose of conveying this information: but on this point it was not possible to offer him consolation.⁵

I am, &c.,

(For the Secretary of State)

CHARLES TUFTON

⁵ In his despatch No. 178 of March 14, not printed, Sir R. Graham stated: 'The attitude of official opinion and of the Press is generally strongly opposed to the measures involved by the 50% export tax.'

Mr. Waterlow commented on this and on reports from other capitals as follows: 'The despatches reflect the uneasiness caused among the neutrals by the economic "sanctions", and particularly by the 50 per cent. scheme. There is a movement for combination to resist action by the allies as regards the latter.'

No. 467

Mr. Robertson (Coblentz) to Earl Curzon (Received March 18)

No. 117 [C 5650/2740/18]

COBLENTZ, *March 16, 1921*

My Lord,

I have the honour to forward to your Lordship herewith copies of a report¹ of the High Commission containing its recommendations in regard to the proposed new customs frontier in the Rhineland. This report has been drawn up as a result of the instructions contained in your Lordship's telegram No. 13 of the 7th instant to me,² and is accompanied by a covering letter, of which a copy is also enclosed.¹

Your Lordship will not fail to realise the difficulties confronting the High Commission in drawing up a report of this kind at a moment's notice. It would be idle to pretend that the High Commission has had the time to make a profound study of the question or to form even an approximate estimate of the effect of their proposals upon the economic life of the Rhineland or upon foreign trade. To make a careful examination of details and rates, as desired in the third paragraph of your Lordship's telegram No. 14 of the 7th March,³ would entail a delay of several weeks, if not months, which would have a most unfortunate effect from every point of view. The new frontier has been arbitrarily drawn through the middle of a thickly populated industrial area, and considerable experience will be required before a tariff can be finally settled which will take full account of all the interests involved. At the present moment we have practically no data upon which to work, as I attach very little importance to the statistics collected during the armistice period, which was wholly abnormal.

The best that we could do in the circumstances was to suggest that as regards the import trade from unoccupied into occupied territory, the

¹ Not printed.

² See No. 453, n. 1.

³ No. 453.

German customs tariff should be temporarily adopted, 25 per cent. being levied at once, subsequently 50 per cent., and ultimately the full tariff. The High Commission further suggests that they be given power to alter this tariff in the light of experience. It is impossible to tear off a limb from the body and to expect that limb to live as before. The whole life of the occupied territory is intimately bound up with that of unoccupied Germany, and I cannot conceive that any tariff that can be devised will do aught but gravely injure the economic life of the Rhineland.

I note from your Lordship's telegram No. 14 that His Majesty's Government regard this sanction as a temporary penalty which they hope will suffice to bring Germany to book. I feel it my duty to warn your Lordship that there is no sign of weakening in the German attitude, and that the Allies must be prepared for a fight to the finish in the vital issues that have been raised.

Your Lordship will not take it amiss if I point out, in fairness to myself and my staff, that a most difficult and delicate task has been entrusted to me, and that I am still without guidance as to the policy of His Majesty's Government or the line that they wish me to adopt. The French High Commissioner and the French Government have a definite purpose in view. I think that there can be little doubt of that. Their intention is to separate the Rhineland, at any rate economically, from the rest of Germany, and it is for His Majesty's Government to decide and to instruct me whether they wish me to further French ends, pursue a policy of indifference or one of obstruction.

I imagine that the Allies have no hope of obtaining any considerable revenue from the new customs régime. If the intention is merely to induce the Germans to sign, it appears to me that the only effective action that we can take here is to put high duties on raw materials and semi-finished goods coming from unoccupied territory and to reduce to a minimum all duties on the western frontier, with a view to enabling the Rhineland to obtain from the west as much as may be possible of what it requires for its industries. A policy of this kind might conceivably frighten the Germans and force the hands of the German industrials, whose voice is now the loudest in urging the German Government to resist the Allied demands. With the information at present at my disposal, I am unable to judge how far the Allies would be able to provide the Rhineland with the necessities that it now obtains from unoccupied Germany.

In conclusion, I would warn your Lordship that, so far as my local information extends, the issue which has now been raised between the Allied Governments and the German Government will lead to a prolonged struggle. German industrials in this area are already proclaiming that they will shut down their factories with the deliberate intention of creating unemployment in order that their workmen may bring pressure to bear on the workmen of Allied countries. As lock-outs on a large scale and resultant unemployment would gravely affect the safety of the armies, I am proposing to the High Commission that they should take action with a view to dealing drastically with any employers who adopt such tactics. It would, however, be well that

the Allied authorities should consider whether German factories could be taken over and managed temporarily by Allied experts.

From the above your Lordship will realise that a variety of grave issues are at stake, and I venture most earnestly to beg that I may be permitted to come to London and to receive direct instructions from His Majesty's Government for my personal guidance both in dealing with the French and with the Germans.⁴

In the meanwhile it is of urgent importance that the customs officials and the reinforcements for which I have pressed in my telegrams Nos. 24-28⁵ should be sent to me without delay. More than 100 French customs officials have already arrived, and it will be difficult for me much longer to resist the request of my French colleague that some of these officials should be allowed to operate in the British area.

I have, &c.,

ARNOLD ROBERTSON

⁴ In Foreign Office telegram No. 23 of March 19, Mr. Robertson was informed that: 'We think it better that you should for the present remain at your post where you will be in a position fully to report developments by despatch and telegram.'

⁵ See No. 465, n. 1.

No. 468

Earl Curzon to Mr. Robertson (Coblenz)

No. 17 Telegraphic [C 5528/2740/18]

Very urgent

FOREIGN OFFICE, *March 17, 1921, 3.50 p.m.*

Your telegram No. 29.¹

Rhineland customs.

No British troops can be sent.

We are examining possibility of sending customs officials to assist you, but it will take some time to ascertain extent to which your demands for experts can be met.

Meanwhile I do not understand how any question can arise of frontier of British zone being taken over by French customs officials or French troops. Rhineland Commission have been instructed to submit report on organisation and tariff to be set up. Until that report has been considered by Allied Governments, no decision is possible as to composition or strength of personnel necessary to administer customs system.

In any case His Majesty's Government cannot admit interference by French authorities in British zone without previous agreement. You should so inform your French colleague and make clear that we are much surprised that its possibility should even have been considered.

Repeated to Paris No. 118, Brussels No. 44 and Berlin No. 54.

¹ No. 465.

No. 469

Earl Curzon to Lord Kilmarnock (Berlin)

No. 59 Telegraphic [C 5758/4137/18]

FOREIGN OFFICE, *March 18, 1921, 9 p.m.*

Following is text of declaration referred to in my telegram No. 60 (of March 18th).¹

The British Government announced in October 1920 their intention not to exercise the power, which they possessed under paragraph 18 of annex 2 of the Treaty of Versailles to seize property of German nationals in Great Britain or in British territory.² This applied not only to goods but to balances with British banks. This pledge is unaffected by the bill now before the British Parliament.³ When the British Government make a pledge they keep it.

There is no question of the seizure of such goods and, in particular, there is nothing to affect, in any way, in the proposals, which the British Government are now making to the British Parliament, the liberty of German nationals to operate upon their balances in British banks.

¹ This telegram instructed Lord Kilmarnock: 'Please at once give widest publicity to declaration text of which is contained in my immediately preceding telegram.'

² See No. 462, n. 1.

³ The German Reparations (Recovery) Bill. For a statement concerning the pledge by the Chancellor of the Exchequer, see *139 H.C. Deb. 5 s.*, col. 1089. On March 18 the Foreign Office telegraphed as Nos. 22 and 23 (for distribution, see No. 458 and No. 458, n. 2) a circular stating: 'The bill, which has not yet passed into law, will not now apply to any goods imported before March 31st 1921 or to any goods imported before April 15th 1921 under contracts made before March 8th 1921.'

No. 470

Sir A. Geddes (Washington) to Earl Curzon

(Received March 19, 12.25 p.m.)

No. 154 Telegraphic [C 5807/2740/18]

WASHINGTON, *March 18, 1921¹*

In conversations with Secretary of State² and Senator Lodge,³ and also in the course of a short talk with President at White House, I have gathered impression that pressure of industrial, commercial and financial situations throughout States is making administration and Senate most anxious to do something to aid in restoring tranquillity of the world.

They wish to avoid making an independent peace with Germany as would

¹ The time of despatch of this telegram is not recorded.

² Mr. C. E. Hughes.

³ Chairman of the U.S. Senate Foreign Relations Committee.

be the case under Knox resolution⁴ and Secretary of State at least is desirous of expressing in general way intention of America to support those who are trying to make Germany observe Treaty of Versailles.

Mr. Hughes is however a little afraid of taking action which may have as a by-product effect of making France adopt an unreasonable attitude. There is no doubt however that Prime Minister's speech to German delegates at London conference⁵ powerfully impressed members of new administration and that they wish to co-operate.

If you consider that it would be helpful in bringing Germany into an understanding of her position I think it would be not unacceptable to Secretary of State if I were to suggest to him informally that some (? declaration of) solidity [? solidarity] with the Allies would be of use in connection with our efforts to secure a restoration of real peace in Europe.

I shall be glad of (? instructions) on this point. The (? danger) is that if France were to become more bellicose after such a declaration had been made result would be a . . .⁶ (? essentially) favourable to Germany.⁷

On the subject of America's future relations with League of Nations there is nothing as yet worth reporting by telegraph. I am in close touch with French Ambassador and we are working together. Any information that you can send to me about Viviani mission⁸ will be useful.

⁴ The Knox resolution was adopted by the American Senate on April 30 and in a revised form by Congress on June 30 and July 1. It was signed by President Harding on July 2. For the text of this resolution and for the negotiations leading to the Treaty between the United States of America and Germany signed at Berlin on August 25, 1921, see *F.R.U.S.*, 1921, vol. ii, pp. 3 ff.

⁵ See No. 464 and Vol. XV, No. 45.

⁶ The text is here uncertain.

⁷ Sir E. Crowe minuted on March 21: 'We should, I think, offer no advice or make any suggestions to the United States government. I do not believe such advice would be welcome. It has certainly not been asked for. Nor is it easy to see what precisely our advice should be if we desired to give it. America is not in the treaty, and we cannot ask her to act as if she were. If her position presents difficulties, she must find her own way out. She will not thank us for pointing a way that would suit us (even if we could).' Lord Curzon added: 'Leave USA alone.'

⁸ See *F.R.U.S.*, 1921, vol. i, pp. 962-7, and Vol. XV, No. 71, n. 7.

No. 471

*Earl Curzon to Lord Hardinge (Paris), Sir G. Buchanan (Rome),
Sir G. Grahame (Brussels), and Sir C. Eliot (Tokyo)*

No. 120¹ Telegraphic [C 5821/2740/18]

Urgent

FOREIGN OFFICE, March 19, 1921, 6.5 p.m.

Your Excellency will be aware that Inter Allied Conference of London agreed to invite those allied powers, not represented at the conference and

¹ No. 120 to Paris, No. 69 to Rome, No. 47 to Brussels, and No. 68 to Tokyo.

entitled to a share of reparation payments, to initiate without delay legislation similar to the Reparations (Recovery) Bill now before Parliament.² It was understood that instructions would be issued by the governments represented at the conference to their representatives in the capitals concerned to make a joint communication to this effect to the governments to which they were accredited.

Please request government to which you are accredited to issue such instructions without delay, as telegrams received from His Majesty's representatives at several of posts concerned show that representatives of government to which you are accredited are without instructions.³

² See No. 459 and No. 469, n. 3.

³ Sir G. Grahame in his telegram No. 57 of March 23 replied: 'Minister for Foreign Affairs states that Belgian Government have issued necessary instructions to representatives concerned.' Lord Hardinge in his despatch No. 919 of March 24 enclosed a letter dated March 23 from the French Ministry of Foreign Affairs saying that on March 17 appropriate instructions had been sent to French representatives. For the Japanese reply see No. 495, n. 1, below.

No. 472

Lord Kilmaarnock (Berlin) to Earl Curzon (Received March 29)

No. 464 [C 6326/416/18]

BERLIN, March 19, 1921

My Lord,

I have the honour to report that I met at lunch to-day Dr. Stresemann, leader of the German People's Party, and had a long conversation with him afterwards. As he is one of the most forceful personalities in the Reichstag I give his opinions at some length, especially in view of the fact that it has recently not been easy to come into contact with prominent Germans owing to the atmosphere created by the application of the sanctions.

With regard to the internal political situation, Dr. Stresemann said that he did not anticipate any change in the composition of the Government. Indeed it was now practically certain that the new Prussian Government would shortly be constituted from the same parties which formed the Government of the Reich. The Centre had decided that they could no longer continue to work with the Majority Socialists, and the Volkspartei would therefore enter the Prussian Government.

He declared, moreover, that the Majority Socialists were no longer really desirous of participating directly in the conduct of the Government, as they found that the advantages of being in opposition were more favourable to their own position among the people. There was, he said, great depression among the Socialists, for they now realised that the promises of a new 'Heaven', which had been held out to their adherents, were unrealisable, and they preferred therefore to remain in the background whilst the process of

disillusionment was going on. Their leaders had come to realise that the policy of socialisation which they had advocated was impracticable in practice, but they would not face the prospect of confessing this to their followers. They preferred that the present difficult situation should be liquidated by a *bourgeois* Government, which they could abuse to their hearts' content in public, whilst secretly sympathising with the measures adopted. For instance, in order to bring about a healthy condition of affairs on the railways it was necessary to dismiss at least 300,000 workmen, but this no Socialist Party could face. The present Government had already dismissed over 100,000, and hoped in the course of another year to get rid of a further similar number. Then something like economic equilibrium might possibly be established on the railways.

The Independent Socialists were, he considered, done for as a party, but the Communists still provided a force which must be reckoned with. Their strength at the polls did not, he thought, give an adequate idea of their numbers in the country, as, their principle being that their ends could not be obtained by parliamentary means but only by violence, there was a strong tendency among them to abstain from voting at elections. He did not, however, think that internal Communism would now be acutely dangerous in Germany. The peril was from outside, and if ever the Bolsheviks were to overrun Poland and appear on the borders of Germany they would certainly find help forthcoming from within the country.

In this connection he thought that there was grave danger of Poland embarking on a foolhardy policy of aggression in Upper Silesia. This would inevitably be resisted by Germany, and once Poland were engaged in such a struggle she would offer an entirely defenceless side to the Bolshevik attack. The Bolsheviks would then be welcomed as beneficent saviours by many Germans, and it was difficult to see what might be the consequences. The ground was already prepared, to a certain extent, for the advent of 'national Bolshevism.' Insane as this creed might appear to be, it gained a certain support from the pressure of economic circumstances. He himself knew ex-colonels, for instance, who were existing on pre-war pensions of 5,000 M. a year, and people such as these could not be expected to reason calmly, but were likely to grasp any desperate expedient which promised to extricate them from their present intolerable position, even at the imminent risk of extinction in the process. They had not been used to gaining their living in pre-war days and were quite unfitted for positions such as agents, cinema actors, or less reputable employments from which a certain proportion of the down-at-heel aristocracy derived a precarious means of existence.

Turning to France, Dr. Stresemann expressed the view that the greatest peril which menaced Europe to-day was French militarism. At the time of Napoleon France was relatively weaker than she was at present. She had then against her the Austro-Hungarian monarchy, which formed a considerable military power, the small, but efficient force of Prussia, and the vast amorphous mass of Russia. To-day Germany had been disarmed, Austria split up into a series of small and helpless States partly dependent on French

financial influences; only Russia remained, and the force of events might eventually drive Germany into an alliance with that Power.

With regard to Great Britain, Dr. Stresemann considered that, in spite of the advantages which she had gained by the war, by the destruction of the German navy, and the absorption of her colonies, the position had in many respects changed unfavourably to Great Britain's interests. Previous to the war the world's economic position had been, roughly, that England depended in the first place on her carrying trade and banking, Germany on her industry, and America on her raw materials. It was true that the development of the German mercantile marine had been cutting into the English carrying trade, but this competition had not been a primordial interest with Germany, and it would, he thought, have been possible to come to an amicable arrangement. Now, however, a large proportion of the carrying trade, together with the preponderance of banking transactions, had been transferred to America, who would regard them as vital interests on which any arrangement would be almost impossible.

I am aware that Dr. Stresemann's views contain many fallacies, but I am transmitting them to your Lordship as providing some indication of the lines of thought prevalent in the party which is perhaps the most mentally active in German politics.

I have, &c.,
KILMARNOCK

No. 473

Lord Kilmarnock (Berlin) to Earl Curzon (Received March 29)

No. 468 [C 6330/2740/18]

Confidential

BERLIN, March 19, 1921

My Lord,

According to a statement which has appeared in this morning's press the experts charged by the German Government with the duty of examining and reporting upon the situation with regard to reparation have, in an interview with the Minister for Foreign Affairs, declared that, in their opinion, the economic condition of Germany does not permit of the adoption of either the Paris demands or of the proposals made by the German Government at the London Conference. They have added that these German proposals, which rested on no sound economic grounds, could only be made subject to the same provisions as had been specified in the Memorandum submitted by the experts with regard to the Paris demands.¹ Dr. Simons is reported to have stated in reply that he entirely agreed with the considered opinion of the experts, that in fact the offer of the German Government had only extended as far as it had for political reasons and that both the German Government and the Reichstag now considered that, after the events of the last few days, this offer no longer stood and had been definitely put aside. I may add that

¹ See Vol. XV, No. 27, n. 5.

a feeling of great relief is noticeable on all hands at the fact that the last offer made in London by Germany was refused by the Allies.²

Your Lordship will have observed from the despatches which I have lately had the honour of addressing to you, that the attitude of the German public, both in respect of informed and of uninformed opinion, has been one of singular apathy, the main reason for which appears to be that, so far as the ordinary public is concerned, there exists a weariness of spirit in regard to any controversy about any matter except that of providing for the immediate needs of each individual and that, with regard to the leaders of opinion and the organs of the press which reflect their views, the main theme has been that the sanctions are utterly useless to solve the question and correspond, so far as any beneficial effect to the countries undertaking them is concerned, to a 'guerre de magnificence' or, in other words, to a sacrifice to vanity at the expense of practical results.

The columns of the German press in Berlin, and also—according to the reports which I have received from His Majesty's consular officers—in the provinces, are filled with articles all tending to the same view and demonstrating, to the satisfaction of their authors, that, whatever may be the harm inflicted on Germany, an equal amount of harm will be inflicted on the Allied Powers and that, inasmuch as the German Government cannot possibly go beyond the offers which they have already made, no amount of threats can cure the situation. It is a significant fact that the application of the sanctions should not have further depreciated the mark. The rate of exchange is, of course, governed by so many factors and is liable to fluctuation for so many reasons, often unconnected with purely economic considerations, that it is not possible to attribute the present stability of the mark, within the usual limits, to any one particular cause, but I think it is not unreasonable to assume that one of its main causes lies in the absence of a feeling of panic and in the existence of a distinct impression in business circles that, in fact, the present situation will presently give way to more normal conditions as the result of an agreement with the Allies, when the latter shall have realised that it is necessary to arrive at a compromise.

Leaving aside the occupation of fresh German towns, which by itself would not be sufficient to effect anything, since the infliction of this wound on German pride is one which the population of this country appears to be too weary to resent, the Allied sanctions provide for—

1. The establishment of a customs barrier on German soil; and
2. The retention by the Allied countries of a portion of the purchase price of German goods imported into those countries.

With regard to the customs barrier, I understand that it is to consist of—

1. The collection of all customs duties on goods crossing the frontiers between the occupied territories and foreign countries; and
2. The erection of a barrier between the occupied territories and the rest of Germany and the collection on goods crossing this barrier of a light

² See Nos. 448 and 463 and D'Abernon, vol. i, p. 142.

statistical duty on those which are exported from occupied territory to unoccupied Germany, and of a heavy duty on goods entering the occupied territory from Germany. The German press, reflecting the opinion of the German experts, points out that the collection of import duties by the Allies on the German territorial frontiers will only stop exports from countries, such as France, to the detriment of those countries, and that the collection of duties on goods entering the occupied territories from Germany will merely throw the economic conditions obtaining in these occupied territories into utter confusion, and is, in fact, a stipulation which is impossible of accomplishment, except as a measure of revenge producing no useful result. In this connection I would draw your Lordship's attention to the despatch No. 82³ of the 15th instant from His Majesty's consul-general at Cologne, in which Mr. Thurstan points out that, so far as economics are concerned, the Rhine cannot be considered as an adequate frontier. It is further pointed out in the German press that this measure will, by diverting the export trade of Germany, practically ruin the transit trade of Belgium, so that the time will come when, as stated in a newspaper article quoted in the enclosure to the despatch No. 79³ of the 12th instant from His Majesty's consul-general at Cologne, 'the Belgians can see grass growing on the quays at Antwerp and hear the exultant shouts of "Orange-Boven" wafted from the Scheldt.'

So far as the retention of a portion of the purchase price of German goods imported into Allied countries is concerned, I gather that the importer into the United Kingdom will be compelled to pay 50 per cent. of the purchase price, as indicated in the invoice, to the British customs authorities, and will then be at liberty to remit the remaining 50 per cent. to the German seller in the usual way. I note that, according to the French papers, M. Briand has further explained that a certificate or, as he termed it, a 'bon' will further be delivered to the German seller, who must then have recourse to the German Government to pay him in paper marks the sum retained by the Allied authorities.

As indicated in my telegram No. 105 of the 15th instant,⁴ it is more than doubtful whether the German Government will assume the responsibility of indemnifying German exporters in the same manner as they are at present indemnifying the owners of German property in Allied territory, and, although no official pronouncement has yet been made on the subject, I have been given to understand that, in fact, most of the important German business interests are urging the Government not to agree to any such proposal.

So far as prophecy is permissible therefore it may almost be assumed that the German Government will, in fact, not consent to subsidise the German export trade to Allied countries to the extent of one-half. Were they to do so and to place such demands, under the heading of capital expenditure, to the credit of the Reparation Account they would, of course, be increasing their

³ Not printed.

⁴ No. 462.

paper currency and diminishing *pro tanto* the purchasing value of the mark and consequently its value in the international market, a process which, however little it may have been discountenanced in the past—partly inevitably and partly for obvious reasons—cannot be continued indefinitely without serious economic disturbances which would ultimately require the adoption of drastic methods of valorisation. But if the German exporter is to continue to export, for instance, to the United Kingdom, and is to receive no assistance from his Government to this end, he will have to double his prices except to the extent to which it may be possible for him to forego a part of the profits which he has been earning. I note from the reply given to a parliamentary question in London⁵ that the value of German imports into the United Kingdom during last year was 31,073,000*l.* (as against British imports into Germany amounting to 21,535,000*l.* and foreign and colonial goods consigned to Germany from the United Kingdom of 29,150,000*l.*), and that, during the last quarter of last year, German imports into the United Kingdom were more than double German imports during the first quarter, and nearly double the British exports to Germany during the same quarter. These statistics appear to point to a steady increase of Germany's prosperity and consequently of Germany's capacity to buy abroad. It is a matter of speculation as to how much of this increasing trade can, in fact, stand the penal measure now being placed upon it. It is also a question of practical interest since if Germany cannot export she cannot import either the raw materials necessary for the maintenance of her production, and for the increase of her prosperity upon which in turn her capacity to pay reparation depends, nor can she import the finished products of other countries.

So obvious are these facts that, viewing the situation from a purely economic standpoint, the opinion is freely being uttered in the press that His Majesty's Government and British business interests have deliberately adopted their present policy, not with a view to exacting reparation which they know is impossible in the proportion demanded, but with the object of crushing Germany as a competitor, and in the confident hope that more than ample compensation will be found for the loss of Germany as a client in the markets abroad where she can be supplanted owing to her economic distress. It is thus suggested that the policy of Great Britain is not merely dictated by the disinterested motive of assisting her close Ally, whatever may be the harmful consequences to British economic prosperity, but is based on motives of self-interest.

In reporting these views to your Lordship, I am, of course, not expressing any personal opinion, but merely desire to convey, so far as possible, in a concrete form, some idea of the trend of thought which underlies the stream of criticisms and complaints to which utterance is at present being given in this country. It does not appear to me that it is of much use for the German Government and German public opinion to attempt to show that the economic sanctions are uneconomic, for this is obvious, and it is equally obvious that, if the Allied Governments, after due consideration and in the opinion

⁵ On March 14, 1921. See 139 *H.C. Deb.* 5 s., cols. 1009–10.

of their expert advisers, have decided to apply the sanctions, it is because they consider that Germany can make greater efforts towards reparation than she has offered to make and that the application of the measures which are at present being carried out constitutes the proper manner of compelling her to do so. In short, the sanctions are a punishment to be applied, regardless of their consequences, until the culprit shall have been brought to reason. Viewed from this standpoint all comment on their economic effect is superfluous. But it is clear that the present situation, by its very nature, is one which cannot continue indefinitely, and that sooner or later some compromise will have to be devised which will, so far as possible, reconcile the moral claims of France with the exigencies of plain economic facts. It is unfortunate that the French political and financial situation, in all its complications, should hitherto have stood in the way of various arrangements which, according to the privately expressed opinions of French experts, were acceptable or, at any rate, corresponded to what it is possible for France to obtain. Public opinion here inclines to the view that the German Government will not take the first step towards a renewal of negotiations, but your Lordship will have observed from my telegram No. 109 of the 16th instant,⁶ that the Minister for Foreign Affairs is devoting serious thought to the question as to how negotiations can, in fact, be resumed. At the time of writing every indication seems to point to a German majority in Upper Silesia, and the prospect which will follow upon such a majority of the retention of at any rate the greater part of this region by Germany will no doubt render it easier for the German Government to make some fresh attempt to compromise. Inasmuch as in the Treaty of Peace the Upper Silesian plebiscite⁷ constitutes only an indication of the wishes of the population, and there is no stipulation which obliges the Allied Governments to do more than take such wishes into consideration in determining the frontier, an opportunity will arise for negotiation since the retention by Germany of the whole of this region or of certain districts is at the option of the Allied Governments, and can be made conditional on concessions by Germany in the domain of reparation.

Stripped of all the political factors which have weighed so heavily upon the problem, the question is the simple one of what Germany can do, and how she is to do it, and the main factor which governs this problem is that a nation can only transfer wealth abroad in the shape of work and commodities, and that the only manner in which such work and commodities can be valorised in a form realisable at the present time is by a foreign loan secured on the promise of such future work and such future production. Assuming for instance that it be possible for a loan to be raised abroad, for, say one thousand million pounds, and for this sum to be placed at the disposal of the Allies, Germany would be in the position in which the foreign debtors of Great Britain were before the war, and in order to pay the interests on the sum raised, she would have to have a surplus of exports to the amount of such interest, or, again, she might allocate to the Reparations Account a proportion of the profits accruing abroad in respect of her export trade, leav-

⁶ Not printed.

⁷ See Vol. XI, Chapter I.

ing it to the Allies to raise such sums on this security as the latter would warrant. There are of course great difficulties in the way of an international loan in Germany's favour with which His Majesty's Government are more familiar than I am. The main difficulty appears to me to be that no nation or Government are probably prepared at the present time to take the German bond without collateral security in the shape of an Allied guarantee, and—since the greater contains the less—this difficulty is not solved by the suggestion put forward by the Minister for Foreign Affairs, as reported in my telegram No. 109 of the 16th⁶ instant, that the German Government should give guarantees as to interest and sinking fund direct to the banking institutions concerned, instead of to the Allied Governments.

There remains the plan for the retention of a proportion of the profits accruing abroad in respect of German export trade. This plan has, of course, been put into operation by the sanctions, but it has at present a penal character, and would require to be applied in all foreign markets. Such retention would also only have to operate in respect of that sum which constituted excess profits, or, in other words, to a sum which the German export trade could stand, since otherwise such export trade would diminish and bring about a corresponding decrease of purchasing power, which in turn would cause a corresponding decrease of productive power.

Such seems to me to be the vicious circle in which the reparation problem revolves, and plans are therefore being put forward which have as their starting-point not the payment of an indemnity in the ordinary sense of the word, that is to say, of something for nothing, but the participation of Allied interests in German industrial enterprises, which would allow the Allied Governments to derive profits which could be valorised and which would increase with the growth of German prosperity.

One of these plans has been submitted to me by Herr Rechberg⁸ in two memoranda, copies of which I have the honour to enclose herein.⁶ The fallacies contained in some of the arguments developed in these memoranda are obvious, and it is hardly necessary for me to make any comment upon them. It is clear that if His Majesty's Government, for instance, are to valorise the share in German industry allotted to them they must sell such share for sterling to their own subjects, who will then be interested in pushing German interests to the detriment of British interests. But any contribution of thought may be of use as expounding some particular point of view, and I transmit these memoranda, not merely with this object, but also because they have been distributed by Herr Rechberg in other quarters.

As I had heard that Herr Rechberg had communicated his views to M. Haguenin, the French representative on the Reparation Commission here, and that the latter was reported to have expressed his approval of the scheme, I took the opportunity of discussing it with him a few days ago. I found, however, that, when pressed with questions as to how he considered the scheme could be carried out, M. Haguenin was not as enthusiastic as

⁸ Herr A. Rechberg was a German industrialist and writer on economic and diplomatic subjects (see Vol. IX, Nos. 81 and 98, and Vol. X, No. 177).

reports would have had it, and he ended by saying that he merely looked upon the scheme as a 'stimulant to thought'. M. Haguenin's tepid approval is discounted to a certain extent by the fact that he openly advocates the closest business co-operation between France and Germany. In fact, he alluded, in terms of approval, to the well-known policy of M. Caillaux before the war,⁹ and added the somewhat astonishing remark from the mouth of a French representative official at the present time that France was done for ('la France est un pays fini') and that her only hope of salvation lay in hanging on to the hem of the garment of German prosperity which he foresaw was inevitable in the near future.

This extreme pessimism may in part be due to the unsatisfactory state of his health and to disappointment at the small amount of acceptance which his views have met with in Paris.

As M. Haguenin's remarks were made in the course of a private conversation and were not intended for publication, I venture to ask that they may be regarded as strictly confidential. If I have reported them to your Lordship, it is with the object of emphasising still further the fact, to which I have repeatedly referred in my previous despatches, that there is in France a distinct school of thought in favour of close and exclusive co-operation with Germany, and that—as the chief exponents of this school are some of the advisers of the French Government and many of the prominent business men of France—the danger to British interests involved in the adoption of such a scheme are not as remote as might at first sight appear. It will thus be necessary for His Majesty's Government, if and when the time comes, to consider carefully the policy which they intend to follow in order to counteract this danger, whether by binding France so closely to Great Britain as to render Franco-German co-operation against Great Britain impossible or to secure themselves such a share in German economic enterprise as will ensure that Great Britain shall predominate.

I would also mention that it is to be inferred from remarks made by M. Haguenin that some form of active French political intrigue is being carried on in Southern Germany, mainly in the direction of encouraging a separatist feeling which should lead to the formation of independent or semi-independent States under the hegemony of France. Any such idea appears to me to be quite outside the bounds of practical politics, but it is one which is particularly congenial to a certain school of French thought based on wrong deductions from past history, and its exponents would appear to have sufficient influence to make the French Government not altogether unwilling to attempt something in this direction.

I have, &c.,
KILMARNOCK

⁹ Whilst President of the Council and Minister of the Interior (March 1911–January 1912) M. Caillaux signed, on November 4, 1911, a trade agreement with Germany.

Lord Hardinge (Paris) to Earl Curzon (Received March 23, 12.30 p.m.)
No. 157 Telegraphic: by bag [Confidential/General/199/3]

PARIS, March 22, 1921

The Conference of Ambassadors met this morning under the presidency of Monsieur Jules Cambon, the Belgian Ambassador being also present, and discussed the following questions:—

(1) The report of the Rhineland Commission on the new customs administration in the Rhineland was before the Conference.¹ I informed the Conference that although I had no objection to this report being submitted to a preliminary examination, I could not commit His Majesty's Government to any decision either of principle or of detail since the report is only to-day being considered by the Cabinet and I must therefore await definite instructions. I also took the opportunity of making a statement as to the views of His Majesty's Government in accordance with your telegram No. 121 of the 19th instant.² I had communicated the text of this statement (copy of which is enclosed in my despatch No. 877)³ to M. Berthelot before the meeting. M. Cambon in reply said he would regret if any Allied Government should by tergiversation postpone the enforcement of this particular sanction approved by the Supreme Council, and urged the necessity of avoiding any delay in applying the sanctions approved by the Allied Governments in London.

M. Tirard, the French High Commissioner, who also attended the Conference, asked to be allowed to explain the measures taken by the French authorities, which did not go beyond the authority given by the Supreme Council to the High Commission to set up a new customs frontier between occupied and unoccupied Germany and at the same time to control the customs administration on the western frontier.

As regards the introduction of French customs officials, he argued that the Commission being already responsible to the Reparation Commission for all customs receipts on the western frontier, it was necessary to bring in these officials to supervise the customs administration on the western frontier, since he had reason to believe that the German officials were conniving at smuggling now that they knew that the customs receipts would be paid to the Reparation Commission and not to the German exchequer.

¹ See No. 467.

² This ran: 'Please inform French Government urgently and make it clear to your colleagues on the conference, and especially to Monsieur Cambon, that having regard to the inter-allied character of the sanctions approved in principle by the London Conference His Majesty's Government cannot recognize the validity of any measures with regard to customs administration in the Rhineland until the proposed system has been definitely approved by the allied governments.' This telegram was repeated to Coblenz as No. 20. In telegram No. 22 of March 19 the Foreign Office instructed Mr. Robertson to: 'oppose any enforcement of customs measures until proposed organisation and tariffs have been formally approved by allied governments'.

³ Of March 22, not printed. The memorandum to M. Berthelot was dated March 21,

As regards the new customs frontier in occupied Germany, he stated that no measures had been taken except those of a purely preliminary character.

As for the proposal that the French troops should man the frontier in the British and United States zones he explained that the French Commander-in-Chief had merely offered to lend French customs officials and French troops in the event of the British and United States authorities not having sufficient number of troops and officials at their disposal for these duties when the time came to set up the new customs frontier. In these circumstances M. Tirard considered there had been a misunderstanding since the proposed introduction of French troops into the British zone was merely in the nature of an offer of assistance in hypothetical circumstances, which the British authorities were at full liberty to reject. M. Tirard confessed that the Allied decision to set up a new customs wall between occupied and unoccupied Germany had produced a state of unrest in the Rhineland, and that there were threats of lock-outs which might lead to collisions between unemployed workmen and the troops of occupation. The only way, in his opinion, to put an end to this state of unrest was to set up the new customs administration without further delay.

I did not think it desirable at the present stage to embark on discussion of the points raised by M. Tirard, but I protested strongly against M. Cambon accusing His Majesty's Government of delay and tergiversation, with a view to retarding the application of this particular sanction. I pointed out that His Majesty's Government had received the Rhineland Commission's report only within the last few days,⁴ and that it was natural that they should wish to examine it before authorising me to approve it. There had consequently been no undue delay and certainly no tergiversation. I undertook however to ask His Majesty's Government to announce their decision as soon as possible, and it was arranged that a special meeting should be held on the 25th on the assumption that by then I should be in receipt of the necessary instructions from His Majesty's Government.⁵ The Italian and Belgian Ambassadors both stated that they were prepared to discuss the report forthwith.

I have arranged with His Majesty's High Commissioner at Coblenz that he shall come to Paris to attend the meeting of the 25th. . . .⁶

⁴ It was received on March 18, see No. 467.

⁵ Lord Hardinge asked for instructions in his telegram No. 159 of March 22, not printed.

⁶ The sections omitted referred to other matters.

No. 475

Letter from Mr. Robertson (Coblenz) to Mr. Waterlow (Received March 29)
[C 6373/2740/18]

My dear Waterlow,

COBLENZ, *March 22, 1921*

Thank you for your various telegrams.

I am a little disappointed at your decision that I should stay here for the

present.¹ Just now there is nothing to report pending the decision of the Allied Governments in regard to the customs proposals, and it would have helped me much more if I had been able to consult with all of you at home.

The more I think of it the more convinced I am that the only way of bringing the present intolerable situation to an end is to hit the Germans as hard as we can with this customs frontier weapon. I am far from saying that it is a good weapon, but I had nothing to do with the choosing of it. What we ought to do now is to erect such a barrier that it will frighten the Government at Berlin and make them fear that they may lose the Rhineland.² Half measures are not the slightest use. Whatever duties we put on, the Rhineland must be hit to some extent. The thing to do is to hit it so that it will squeal for mercy.

The Germans can pay. I am convinced of that. They are making not the slightest effort to put their Budget in order.³ Their productive capacity has enormously increased since 1914 and their foreign debt is practically nil. When their industries are fully working they will have a large exportable surplus. I am much more frightened of the resultant harm to British industry⁴ that German increased production must bring, than I am doubtful whether the Germans will be able to pay or not. We must not forget that all commodities now are worth much more than they were before the war;⁵ much less effort, therefore, is required to produce the value in commodities of two milliards of marks gold.

Why on earth has the Ambassadors' Conference been instructed to consider our customs proposals?⁶ They will know nothing about the situation except what they learn from Tirard who is now in Paris while I am stuck here.

Yours ever,
ARNOLD ROBERTSON

P.S. Just received a telephone message from Hardinge calling me to come to Paris, so I am going tomorrow. I hope this is all right.⁷

¹ See No. 467, n. 4.

Notes 2 to 6 are marginal comments by Mr. Waterlow.

² 'My committee did not go so far as this y'day. They propose, on the Eastern frontier, the German customs tariff + 25% thereof, with no power to increase without reference to the Govts.'

³ 'Exaggerated, I think.'

⁴ 'In the long run it will be fatal to Br. industry if our one competent competitor is knocked out.'

⁵ 'The extent to wh. gold has depreciated in terms of goods is matter of controversy.'

⁶ 'Because some superior interallied body is required, & there is no other.'

⁷ See No. 474 and No. 481, below.

Memorandum by Sir E. Crowe on the German Note to the League of Nations
[C 6233/2740/18]

FOREIGN OFFICE, March 23, 1921

The German government's communication¹ to the league of nations is not merely a protest. It is an appeal to those articles of the covenant which provide for the settlement of disputes between any two States—even if not members of the league. If it were admitted that in any case where failure by one of our ex-enemies to carry out the treaty of peace provokes a dispute between him and the allies, the defaulting party can take shelter behind the league, we should probably land ourselves in interminable argumentation and negotiation.

It has always been understood between the allies that the enforcement of the treaties of peace, and their interpretation, was not the proper function of the league, which itself has only been created by these treaties. I feel sure that this position ought to be maintained, although I am not prepared to state in what precise terms it should, legally, be defended.

Sir E. Drummond² suggests that the answer to the German appeal should be made by Mr. Lloyd George as president of the recent London conference.³ I doubt the wisdom of this procedure. The Germans have addressed the league. It is for the league to make answer; and the legal question involved is so important that I think the answer should be prepared by, or in consultation with, the legal advisers.

I would suggest that Sir C. Hurst⁴ should if possible confer with M. Fromageot⁵ and agree with him upon a line of argument which might be followed in answering the German communication, and that the draft answer so agreed upon should come before the cabinet for approval. If approved, Mr. Balfour could then be authorized to recommend it to the council of the league for adoption.

I regard Lord R. Cecil's proposal⁶ that the amount of reparation to be made by Germany should be determined by an arbitrator or arbitral body, to be nominated by the league, as altogether unpractical. His argument that 'no one, not even the victors in a righteous war, should be judges in their own cause' is a fallacy. The victor who imposes his terms is necessarily judge in his own cause, and rightly so. If the amount of reparation and the

¹ Dated March 10, 1921, addressed to the Council of the League of Nations.

² Secretary-General to the League of Nations.

³ The suggestion was made in a private letter, dated March 18, from Sir E. Drummond to Sir M. Hankey, Secretary to the Cabinet. Sir M. Hankey communicated it to Sir E. Crowe on March 21.

⁴ Legal Adviser to the Foreign Office.

⁵ Legal Adviser to the French Ministry of Foreign Affairs.

⁶ On March 17 Lord Robert Cecil (Chairman of the League of Nations Union) communicated to Lord Curzon a Memorandum, prepared by the Executive Committee of the League of Nations Union, on the subject of German Reparations, which was marked 'For publication on Saturday, March 19th 1921'.

method of payment were minor details, it would probably not be difficult to arrange to entrust their settlement to some body of arbitrators, but when these matters involve great national interest[s] of such importance as to affect the fate of ministries, no governments are likely to give the ultimate decision out of their hands.

Qu[eries]:

1. Unless the Attorney General himself is expected to advise the cabinet on the points raised by the German note, refer it to the Legal Adviser, and ask him to consider it in consultation with M. Fromageot (or possibly with the whole legal committee, bringing in the Italian & the Japanese advisers).

2. Reply to Lord R. Cecil that since the receipt of his note the Germans have made their appeal to the league, and that the league will now have to consider their attitude towards it.⁷ Meanwhile it would hardly be proper for H.M.G. to come to an independent decision in the matter.

E. A. C.⁸

⁷ A reply in this sense was made by Lord Curzon to Lord Robert Cecil on March 30.

⁸ Lord Curzon commented on March 24: 'I think we should ask the Attorney General to advise. I am in general concurrence with Sir E. Crowe.'

A letter, dated March 30, was addressed to the Attorney-General requesting his advice 'as to the best way of rebutting (a) the German protest against the sanctions, and (b) the German appeal to the Covenant'.

No. 477

Earl Curzon to Lord Hardinge (Paris)

No. 128 Telegraphic [C 5650/2740/18]

FOREIGN OFFICE, *March 23, 1921, 10 a.m.*

My telegram No. 122 (of March 19th. Rhineland customs).¹

Proposed organisation and tariffs have been referred by Cabinet to inter-departmental committee of experts,² with instructions to report with all possible expedition. When that committee has reported I hope to be in position to send to Your Excellency such instructions as to policy of His Majesty's Government as will enable you to concert the necessary inter-allied measures with your colleagues in the Conference of Ambassadors.

In any case it is proposed to send technical advisers to His Majesty's representative at Coblenz as soon as possible, to assist him in all matters concerning customs organisation.

Repeated to Coblenz, No. 25.

¹ In this telegram Lord Curzon had stated: 'There is no objection to Rhineland Commission's report being subjected to preliminary examination by Ambassadors' Conference on March 22nd. As, however, report will also be considered by Cabinet on same day, you should be careful not to commit His Majesty's Government to any decisions either of principle or of detail until you receive definite instructions.'

² Under the Chairmanship of Sir Philip Lloyd-Greame, Parliamentary Secretary at the Board of Trade. Mr. Waterlow represented the Foreign Office. The minutes of the Inter-departmental Conference held on March 24, which were communicated by the Board of Trade on March 29, are not printed.

No. 478

Earl Curzon to Lord Hardinge (Paris)
No. 129 Telegraphic [C 6040/2740/18]

Urgent

FOREIGN OFFICE, *March 23, 1921, 10 p.m.*

Your telegram No. 157, section 1.¹

Committee mentioned in my telegram No. 128 of March 23rd² has examined report of the Rhineland Commission³ and is recommending its adoption with several important modifications and reservations. The questions involved are highly technical, and it will not be possible to send you instructions until Cabinet have considered report of committee, which in view of Easter holidays cannot come before them for a week or ten days. In these circumstances I doubt whether any useful purpose will be served by proposed meeting of Conference of Ambassadors on March 25th.

Addressed to Paris No. 129. Repeated to Coblenz No. 28.

¹ No. 474.

² No. 477.

³ See No. 467, n. 1.

No. 479

Earl Curzon to Lord D'Abernon (Berlin)
No. 321 [C 6144/2740/18]

FOREIGN OFFICE, *March 24, 1921*

My Lord,

The German Chargé d'Affaires called at the Foreign Office on the 22nd instant, and, whilst very particular to disclaim any official character of his visit, made it clear that his object was to endeavour to find out what were the prospects of renewing conversations with the German Government on the subject of reparations. He said that he had been informed in the city that His Majesty's Government had in contemplation fresh proposals, which they would shortly put before the German Government. He was anxious to know what truth there was in this report.

2. Sir E. Crowe told M. Dufour Feronce that he had never heard of it. He was not aware that either His Majesty's Government or any of the Allied Governments had any intention of coming forward with proposals of their own, and *prima facie* it seemed to him most improbable that they would take such a step. If, after what had happened at the recent conference,¹ discussions were to be renewed, it seemed to him, if he might express a private opinion, to be clearly for the German Government to take the next step.

3. M. Dufour tried to make out that this was difficult for the German Government, because they felt that no proposals they put forward would receive a patient hearing. He lamented the substitution of the big conferences, with their publicity, for the more cautious procedure of diplomatic

¹ For which see Vol. XV, Chap. II.

negotiation and agreement, which were formerly the means of settling diplomatic difficulties. He asked in what way the German Government, should they feel in a position to move, could effectively approach the Allies, and he threw out a suggestion that, instead of leaving all decisions in the hands of a conference of the big statesmen from the first, they should revert to the method of discussion by experts, and only come together in conference when a definite agreement had been not only reached between the experts, but been approved by the several Governments concerned. Sir E. Crowe agreed with him that this was an ideal procedure; nothing would please him more than to see it adopted, but he could hold out no hope that this would necessarily be done.

4. Sir E. Crowe gathered that what M. Dufour was thinking of was a reassembly of the Brussels meeting of the experts.² He spoke at some length, but not very convincingly, of the probability of an agreement being arrived at on the old basis of settling for five years at a time. It was pointed out to him that this could only be considered if some more or less definite provision was made at the same time for the twenty-five years following. The Allies could not be expected to accept an arrangement which left everything in complete suspense after five years.

5. Finally, M. Dufour asked what was the channel through which any fresh feelers might most profitably be thrown out. Sir E. Crowe said that this was a matter which the German Government must consider for themselves, but added that he felt sure that Dr. Simons would always find your Excellency ready to listen to any reasonable proposals, and to put them forward in the way most likely to secure a good hearing. The plebiscite decision in Upper Silesia might perhaps afford an opportunity to Dr. Simons to make some fresh proposals if he wished to arrive at an understanding. M. Dufour expressed his great anxiety that the sanctions which were meanwhile being put in operation would be indefinitely continued, at least by the French, even if the German Government put forward proposals which proved acceptable. He was reminded of M. Briand's public statement³ that the retaliatory measures were only adopted for the purpose of securing a definite settlement, and assured that they would cease when a settlement was effected; it was, however, equally clear that a mere undertaking or promise on the part of Germany to do certain things could hardly, after what had happened, be accepted as a definite settlement.

I am, &c.,

CURZON OF KEDLESTON

² The Brussels Conference had drawn up a report on January 18; see No. 429, n. 1.

³ Of March 9. See Vol. XV, No. 50, pp. 357-8.

Memorandum by Mr. Thelwall¹ respecting likely Attitude of German Government and German Business World towards the Sanctions²

[C 6838/2740/18]

BERLIN, March 24, 1921

The attitude which the German Government and the German business world are likely to adopt towards the sanctions imposed by the Allies as a result of the failure of the London Conference may now be regarded as fairly clear. It is true that no absolutely official pronouncement has yet been made as to any definite steps which are to be taken, but the general view has been fairly clearly defined.

2. In the first place, it must be remembered that the German Government denies that the sanctions have any legal or moral justification. This means that it has in its own view the right to oppose them in every way and to encourage nationals to do so. It seems clear that as far as the second sanction is concerned, the German Government will refuse to refund to its nationals any proportion of the price due to them by Allied subjects for German goods which have been delivered. The effect of this will obviously be that Germans will refuse to sell to Allied countries which have introduced the measure in question until the price for the goods to be sold has been deposited in full either in Germany or in a neutral bank. This practice was universal in Germany at the time when the fear of confiscation of German private balances in Allied countries under paragraph 18, Annex II, Part 8, of the Treaty of Peace still existed.³ As the British purchaser of German goods would, in addition to paying the full price asked by the German seller, have to pay anything up to 50 per cent. of that price to the British Government, the German article imported would become by so much dearer. Another method might be that the German simply invoices his goods at twice the price he wishes to obtain for them. In either case, the sanction in its ultimate effect is equivalent to a very high protective duty against German goods. It cannot fail, therefore, to considerably reduce German imports into England. What effect this is likely to have upon British industry it is difficult to estimate. It will certainly cause inconvenience in those branches which are dependent on German monopolies for their working, such as those which require certain chemicals and special machinery, for instance, particularly in the electro-technical branches. While the reduction of German imports into England may be of assistance to some British industries, such as toys, clocks, glassware, &c., it is certain to make many articles more expensive for the consumer, who will in the end have to pay either the 50 per cent. increase in price of imported German goods or to buy the dearer English article. The

¹ H.M. Commercial Secretary at Berlin.

² This memorandum was transmitted to the Foreign Office under cover of Berlin despatch No. 504 of March 30, not printed.

³ See No. 462, n. 1, and No. 469.

latter will in any case be sure to rise when it is freed from German competition. Even in such industries as textiles, in which part of the work is done in Germany on imported British material and the half-finished or completed article re-exported to the United Kingdom, there will of necessity be an increase of price as the 50 per cent. is to be levied on the increased value of the goods after work has been done on them in Germany; in other words, the cost of German labour is artificially increased.

3. The effect of the sanctions on German exports in general it is hard to forecast until it is known how many countries intend to introduce the sanctions and, above all, whether the British colonies and dominions will do so. One certain result of the present situation will be that German competition will set in with increased intensity in all markets which remain open to German goods. Careful plans have been worked out by the German Government and by German industry to ensure that any loss of exports in Allied countries shall be made up in other directions. It is intended to extend the list of goods which do not require an export licence. The export price control is in some cases to be done away with entirely and in others considerably modified, and the same is to apply to the export duties. Very severe price-cutting must be expected in markets where German and Allied goods compete. Threatened unemployment is to be met by an energetic revival of building and of shipping construction, as well as by public works, such as canals.

4. Needless to say, every effort will also be made to evade the working of the sanction altogether by exporting German goods through neutral countries, and the Germans have no hesitation in stating that the employment of any means whatsoever will be justified for this purpose.

5. Preparations are also being made to counteract any measures which the Allies may adopt in occupied territory and for this purpose the powers of the Commissioner for Foreign Trade Control ('Reichsbeauftragter für die Überwachung der Ein- und Ausfuhr') are being considerably extended. The German Government recognises that to give this official practically *carte blanche* would under normal conditions be open to grave objections, but in view of the present danger threatening German industry, it was considered justified. No particulars as to the measures to be adopted by this official are yet available, but his policy is to be to [*sic*] prevent the revival of the notorious 'hole in the west'⁴ by erecting an efficient barrier along the perimeter of the occupied territory, and there to put into effect the German import and export regulations, in particular to prevent an undue efflux of goods which are needed by Germany and to stop the influx of undesirable foreign articles. This action on the part of the German Government, combined with the measures which the Allies introduce into the occupied territory, will probably have two effects: first, to cut off the occupied territory to a very large degree from the remainder of Germany; and secondly, to divert German import and export as far as possible from the western frontier to the ports. As to the possible effect which this state of affairs might have on the occupied territory,

⁴ See Vol. IX, No. 23, n. 3, and No. 479, n. 3, and Vol. XI, No. 14.

I would refer to Mr. Kavanagh's despatches⁵ and to any views he may express as the application of the sanctions develop[s], but any hardship which might threaten the occupied territory through its isolation from the remainder of Germany should, as far as possible, be alleviated by the importation into that area of goods from Allied countries, particularly from England, which should be only too glad of an opportunity to find a market for many of its goods, even if this market is only a limited one.

6. Before leaving the question of German export trade, I should like to draw attention to two points, the first is that unless the five most important Allied countries and most of the British colonies and dominions adopt the sanctions, it is doubtful whether the pressure on Germany would be sufficiently heavy to induce her to give way within a reasonable time. Secondly, if the sanctions are successful in reducing German export trade to any appreciable extent, Germany's purchasing power will again decline, with a consequent increase of the cost of living in this country.

7. To turn to British exports to Germany, these will be least affected in as far as foodstuffs and essential raw materials are concerned, but even with regard to these classes of goods German purchasers are likely to be restricted to an absolute minimum. For all manufactured articles, however, a more rigid application of import prohibitions will naturally take place. As far as the statistics available here go, British imports into Germany have up to the present chiefly consisted of essentials, so that possibly the sanctions will not produce so great a reduction as might at first appear probable. However, the British merchant must expect that every obstacle will be placed in his way. On the other hand, as mentioned in the preceding paragraph, opportunities for increased exports may occur in the occupied territory, but it would certainly be advisable that the state of affairs which existed when the 'hole in the west' was still open should not recur, and that British import trade should be placed on a sound footing and should not develop into the unhealthy speculation which prevailed during 1919.

8. The probable legal effect in Germany of the sanctions has already been pointed out in a note which was transmitted to the Foreign Office in Lord Kilmarnock's despatch No. 430 of the 16th March.⁶ It is evident from this that German courts will not accept any difficulties arising under the sanctions as an excuse for non-fulfilment of contract, and would seize the property in Germany belonging to an Allied defendant for the satisfaction of any claims which might be made against him on account of breach of contract due to the new situation created by the sanctions. If any British subject, therefore, foresees that he will not be able to carry out contract entered into with a German before the sanctions were announced, it would be advisable for the former to remove as far as possible any property that he may possess in Germany before he declares his inability to carry out the contract in question.

⁵ For example, those of March 16 and 18, not printed, transmitted to the Foreign Office by the Department of Overseas Trade, filed under C 6259/5101/18 and C 6261/2740/18 respectively. Major C. J. Kavanagh was Commercial Secretary at Cologne.

⁶ Not printed.

9. While Germany, therefore, continues to assert that she is willing to pay reparations up to the utmost limit of her capacity, she has for the time being entered upon what may be described as a trade war with the Allies. She intends to damage Allied trade and industry as much as possible, both in Germany and in all other markets, and she intends as far as possible to prevent the Allies from making the sanctions effective, either in the way of exerting economic pressure on the German nation or of producing revenue for reparations.

10. I am of the opinion that the attitude of the German Government is caused chiefly by the powerful industrial interests in the country, and that the question as to whether Germany will give way or not is simply a question as to whether it pays these interests to maintain their present attitude and suffer such disabilities as the sanctions involve, or to agree to pay the sum demanded by the Allies, which would mean that they would be hampered in the development of their ambitious plans, as they will then be compelled to give up much of the wealth which they have up to the present been able to save from taxation.

F. THELWALL

No. 481

Earl Curzon to Lord Hardinge (Paris)

No. 139 Telegraphic [C 6294/2740/18]

Very urgent

FOREIGN OFFICE, *March 30, 1921, 1.45 p.m.*

Rhineland Customs.

Your Excellency is authorized to proceed in discussion by Ambassadors' Conference on the lines of the Interdepartmental Committee's report¹ enclosed in Mr. Tufton's letter of March 28th.²

It will, no doubt, be useful to Your Excellency to summon Mr. Robertson to attend as proposed in your telegram No. 163 (of March 24th)³ as soon as date of discussion is fixed. He could bring with him British Customs expert if necessary.

Repeated to Coblenz No. 30.

¹ Dated March 24, not printed.

² This letter has not been traced in the Foreign Office archives. It was presumably sent in accordance with Lord Curzon's minute of March 27 which ran: 'I should have thought that the best plan would be to send the report of the conference to Lord Hardinge. . . .'

³ Not printed. This telegram, which was sent by bag, but not under separate cover, was overlooked during the Easter week-end. The telegram reported that the Conference had been postponed until the receipt of instructions from the Foreign Office. The telegram went on to suggest that Mr. Robertson should be available in London when the Cabinet discussed the proposals of the Inter-departmental Committee. Mr. Waterlow recorded in a minute of April 5: 'The report of that committee never got to the Cabinet for approval, but it may be safely presumed that H.M. Government do not wish to make any further changes or to delay the operation of the sanction any longer . . . I think that we can now instruct Mr. Robertson to act, subject to our requiring him to ask for instructions whenever necessary.' See No. 490, n. 5, below.

Mr. Robertson (Coblenz) to Earl Curzon (Received March 30, 11.10 p.m.)

No. 37 Telegraphic [C 6512/2740/18]

Your telegram No. 27.¹

COBLENZ, March 30, 1921, 2.55 p.m.

I have examined situation with Mr. Avison, Colonel Haining² and Commander-in-Chief.³

The facts are as follows:—

1. Customs frontier can follow one of three lines, either present perimeter of bridge-head, or line proposed by Inter-Departmental Committee, or a line between the two. In any case any [*sic*] 150 men will be required for control posts in addition to actual customs officials.

2. British Commander-in-Chief cannot supply these 150 men unless he receives reinforcement of at least one battalion. The 150 men would be scattered in small parties and lose all military value. A further 150 would be required to relieve them making a total of 300 men detailed for customs patrol duty. In view of fact that four battalions are now in Silesia⁴ these three hundred men would completely use up Commander-in-Chief's small reserve and he could not accept responsibility for safety of occupied area entrusted to him.

3. I entirely share views of Commander-in-Chief. Total force now at his disposal is absolute minimum with safety and I doubt whether any but a British force could hold Cologne industrial area with a total of 5,000 effectives as is now the case.

4. If no reinforcements can be sent the only possible alternative to my mind is for system of recruitment of a special force of British subjects. I think this could be done though difficulties would arise owing to uncertainty of length of employment. I estimate cost at about £4,000 a month. This sum would have to be advanced by Treasury as I cannot guarantee that any receipts from Customs would be available.

5. If this force were recruited quickly, Commander-in-Chief might possibly spare men from his command to carry on for a few weeks though I must warn you that customs measures may possible [*sic*] lead to unemployment on a large scale and consequent disorders.

6. If reinforcements cannot be sent or money is not forthcoming for special recruitment of force we should be compelled to ask French to send troops but I should be very much opposed to this.

7. Urgent decision on this question is required as great uncertainty exists as regards division of land and prestige of Allies is rapidly waning [*sic*]. Germans are convinced that we cannot put sanctions into force.

Addressed to Foreign Office.

Sent to Paris.

¹ Of March 23, not printed. This telegram reported the departure of Mr. Avison, a customs official, for Cologne. Mr. Avison was to advise Mr. Robertson on the personnel required for the establishment of the customs organization.

² Lieutenant-Colonel R. H. Haining.

³ General Morland, see No. 461, n. 3.

⁴ See Vol. XV, No. 16, and Vol. XI, Nos. 145, 146, and 153.

No. 483

Mr. Robertson (Coblenz) to Earl Curzon (Received March 31, 1.55 p.m.)
No. 38 Telegraphic [C 6598/2740/18]

COBLENZ, March 30, 1921, 5.10 p.m.

My immediately preceding telegram.¹

I have just read report of Inter Departmental Committee on Rhineland customs.² All the questions raised are being carefully considered here and I would strongly deprecate any decision being arrived at until I am given an opportunity of being heard. I would again urge that I be allowed to come over to London.

Both British Commander-in-Chief and I are altogether opposed to idea of raising a force of German frontier guards. These men would be quite unreliable and would have every facility for smuggling. They would obviously do nothing to enforce the sanction against their own country. Moreover allied military authorities would probably be opposed to creation of a further armed German force in occupied territory.

Addressed to Foreign Office, sent to Paris.

¹ No. 482.

² Not printed, see No. 477, n. 2. Mr. Robertson made further observations on the report in his telegram No. 42 of March 31, not printed.

No. 484

Lord D'Abernon (Berlin) to Earl Curzon (Received March 31, 11.30 a.m.)
No. 128 Telegraphic [C 6591/386/18]

BERLIN, March 30, 1921, 11.40 p.m.

I saw Secretary of State for Foreign Affairs this morning.

He told me news from different disturbed districts was more satisfactory. He thought they were getting to end of trouble. Government had been surprised by number of arms in hands of Communists in Central Germany particularly by number of heavy machine guns. Cabinet had previously been informed by Dr. Peters, Commissioner for disarmament, that no arms were left in Central Germany so that this discovery had created a very disagreeable impression.

With regard to reparation I did not gather that German Government were likely to re-open negotiations at an early date. Herr Von Haniel said that they were studying question of possible reparation in kind in devastated areas—particularly scheme for sending from Germany ready made doors, windows and other building material. But this scheme was only partial.

With regard to total indebtedness Herr Von Haniel's attitude was that there was no good in discussing an offer until some agreement (? was) come to between experts respecting Germany's capacity to pay. There was no advantage in Germany making proposals which France at once declined

and it was clear from Monsieur Briand's declarations¹ that he had no real latitude and was bound hand and foot to precise conditions of Paris.

As all German experts were unanimous in giving general view of Germany's capacity, there was no hope of successful negotiation. The only course was to settle down to a bad time under sanctions and wait for French to acquire a more correct view of facts and possibilities.

¹ For example, in his speech to the Chamber of Deputies on March 16.

No. 485

Lord Hardinge (Paris) to Earl Curzon (Received March 31, 12.30 p.m.)

No. 169 Telegraphic: by bag [C 6566/2740/18]

PARIS, March 30, 1921

The Belgian Ambassador called here this morning. He was anxious to know when the Ambassadors' Conference would be able to discuss the Rhine customs. He said the sanction was a moral one and its value would be destroyed by Germany's knowledge that there were differences of opinion among the Allies with regard to its application. He inferred that His Majesty's Government were delaying the execution of the recent decisions from political motives.

I said that this was not at all the case. The British Cabinet had not been able to discuss the question before the Easter holidays but the result of their deliberation might now be expected at an early date and I had no reason to believe that any departure from the principles adopted by the Supreme Council was to be anticipated.¹

¹ In a letter of April 1 the Belgian Ambassador in London was informed that H.M. Ambassador at Paris had received the necessary instructions and that it was understood that the matter would be discussed at the Conference of Ambassadors in Paris during the current week.

No. 486

Earl Curzon to Lord Hardinge (Paris)

No. 147 Telegraphic [C 6512/2740/18]

Urgent

FOREIGN OFFICE, March 31, 1921, 6 p.m.

Mr. Robertson's telegram No. 37¹ (of March 30th. Rhine customs).

No reinforcements are available. The possibility of raising a volunteer force is being considered. As, however, Treasury so far do not see their way to sanction advance necessary for provisional expenditure involved, Your Excellency should in no way commit us in the matter.

¹ No. 482.

Letter from Lord D'Abernon (Berlin) to Earl Curzon (Received April 11)
 [C 7357/2740/18]

Private and confidential

BERLIN, March 31, 1921

My dear George,

Nothing of much importance has occurred here outside the events I have reported by telegraph.¹

In the absence of Simons² I have not had any conversations of special interest with Representatives of the German Government. But it is quite evident that for the moment their decision is to suffer under the Sanctions in the belief that if they suffer other countries will suffer too, and that after a month or two of experience we will be as glad as they will be to get rid of the burden. They regard the basic idea of the 50% levy as inspired by Protectionist pre-occupations.

The inter-change of telegrams between Germany and America I regard as of considerable interest. The German Government submits in definite terms the proposal to substitute itself for England and France in their debt to America.³ The U.S.A. Government do not reply specifically, but do not reject the idea *ab initio*.⁴ I have always understood that the English Treasury would regard a solution which would relieve them at once of our debt to America and our hope of Reparation from Germany, as an extremely acceptable result. It is possible, therefore, that some further development may be given to the feeler contained in the German note. The French and Belgian Governments have always refused to discuss the question of their American indebtedness in connection with German reparation, as they more than hint that they have not the smallest intention of paying America anything. That is no affair of ours, but I do not think that we need refuse what we should consider a satisfactory settlement for ourselves, on account of their proposed violation of their engagements.

Yours ever,
 D'A.

¹ e.g. No. 484.

² Dr. Simons was on holiday in Switzerland from March 26 to April 12.

³ As Mr. Waterlow pointed out in a minute of April 7 the German offer went further, for in his memorandum of March 21 handed to the American Commissioner, Dr. Simons had stated: 'Germany will not refuse to take over, within the limits of her capacity, the interest payments and the amortisation of the liabilities of individual Allied countries' (see below, n. 4). Mr. Waterlow continued, 'we should be the only gainers by any such arrangement, as there is no likelihood that our allies will pay their debts either to America or to us. This being so, I submit that it would be highly impolitic to encourage the proposal in any way.' Sir E. Crowe added: 'We cannot afford to toy with any scheme which would separate Great Britain from France Italy & Belgium.'

⁴ See *F.R.U.S.*, 1921, vol. ii, pp. 37-40. A translation of the memorandum handed to the American Commissioner by Dr. Simons on March 23 and a copy of the reply given by Mr. Dresel were enclosed in Lord D'Abernon's despatch No. 514 of April 1, not printed.

Lord Hardinge (Paris) to Earl Curzon (Received April 4)

No. 978 [C 6845/2740/18]

PARIS, April 2, 1921

Lord Hardinge of Penshurst presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of a report on the customs barrier between Germany and the occupied territories by the technical committee appointed by the Conference of Ambassadors to examine the British memorandum, dated the 31st March.

ENCLOSURE IN NO. 488

Rapport du Comité technique chargé par la Conférence des Ambassadeurs d'examiner le Mémoire britannique du 31 mars 1921 relatif aux Douanes des Territoires rhénans

PARIS, April 1, 1921

Le Comité technique, après avoir procédé, paragraphe par paragraphe, à l'examen du mémorandum britannique en date du 31 mars 1921 (Annexe) relatif aux douanes des territoires rhénans, a adopté à l'unanimité les conclusions ci-après:

Paragraphe 1 (Fixation de la Ligne douanière)

Le Comité estime qu'en raison des centres économiques importants situés soit dans les têtes de pont de la rive droite du Rhin, soit à cheval sur le fleuve, le cours de celui-ci ne saurait être pris comme limite douanière.

Par contre, le Comité ne formule aucune objection à l'encontre de la proposition britannique tendant à établir la ligne des douanes à l'intérieur de la zone d'occupation anglaise, au mieux des intérêts du contrôle. Il demeure entendu que cette fixation n'impliquerait aucune modification de la zone occupée militairement.

Il appartient, d'ailleurs, à la Haute-Commission interalliée des Territoires rhénans de déterminer les emplacements des postes douaniers, selon les nécessités du terrain et après entente avec les généraux commandant les armées alliées d'occupation.

Paragraphe 2 (Personnel douanier)

Le Comité estime que le deuxième paragraphe du mémorandum britannique soulève une question d'ordre intérieur qu'il appartient au Haut-Commissaire britannique de régler d'accord avec son Gouvernement et après avoir pris l'avis du général commandant l'armée britannique d'occupation sur les inconvénients que pourraient présenter le recrutement d'auxiliaires allemands armés.

Paragraphe 3

(a) 1. (Droits d'Importation aux Frontières orientales)

Le Comité constate que le Gouvernement britannique ne fait aucune

objection à l'application du taux de 25 pour cent du tarif allemand proposé par la Haute-Commission comme premier palier.

En ce qui concerne les élévations successives jusqu'au taux de 100 pour cent, le Comité estime que, conformément au statut de la Haute-Commission, il appartient à chaque Haut-Commissaire de provoquer les instructions de son Gouvernement au sujet des décisions que la Haute-Commission aura à prendre à ce propos.

2. (*Transit*)

Le Comité constate que le rapport complémentaire de la Haute-Commission inter-alliée des Territoires rhénans, établi postérieurement au mémorandum britannique et distribué à la Conférence des Ambassadeurs à la date de ce jour, règle entièrement la question dans le sens du mémorandum.

(b) (*Droits d'Entrée¹ sur la Frontière orientale*)

Le Comité est d'accord avec le mémorandum britannique pour inviter la Haute-Commission, au cas où le tarif d'entrée serait abaissé à la frontière occidentale, à relever le tarif de sortie à la frontière orientale de manière à ce que le total des droits de douane soit égal aux droits d'entrée du tarif allemand.

(c) (*Restrictions aux Importations et Exportations*)

En ce qui concerne les restrictions aux importations et exportations, le Comité pense qu'il convient de recommander à la Haute-Commission de s'inspirer des décisions antérieures de la Conférence des Ambassadeurs ainsi que des conclusions des délégués alliés à la Conférence financière de Bruxelles. D'autre part, tant que la Haute-Commission jugera nécessaire le maintien d'une réglementation restrictive, celle-ci devra être appliquée dans un esprit libéral et en respectant le principe de l'égalité de traitement entre les nations alliées.

L'attention de la Conférence des Ambassadeurs est, par ailleurs, appelée sur le fait que les taxes d'exportation produisent actuellement des recettes supérieures à celles qui sont fournies par les droits de douane proprement dits.

Enfin, et d'une manière générale, le Comité technique estime que c'est à la Haute-Commission interalliée des Territoires rhénans qu'il appartient, conformément aux décisions de la Conférence de Londres, de prendre toutes mesures utiles à la mise en application du nouveau régime douanier des pays occupés.

¹ *Note on original:* 'Le texte anglais du mémorandum porte "Export duties". Le Comité estime que c'est là une erreur de plume et qu'il faut lire "Import duties".'

ANNEXE TO ENCLOSURE IN NO. 488

Mémorandum de l'Ambassade britannique

Douanes rhénanes.

March 31, 1921

Le Gouvernement de Sa Majesté désire présenter les observations ci-après au sujet du rapport de la Haute-Commission des Territoires rhénans:

1. L'adoption du fleuve comme frontière orientale de la nouvelle zone douanière semblerait, somme toute, constituer, tant au point de vue de la délimitation qu'au point de vue du contrôle, la solution la plus simple. Si, cependant, cette solution n'était pas adoptée, le Gouvernement britannique proposerait que, en ce qui concerne la zone anglaise, la frontière coïncidât avec la ligne de défense intérieure de Cologne, ce qui donnerait une zone frontière de 10 milles environ seulement.

2. Le Gouvernement de Sa Majesté accepte en principe, et sous réserve du rapport qui sera fait sur place par l'expert douanier britannique, de fournir le nombre de fonctionnaires britanniques demandés dans le rapport. Cependant, il s'oppose à l'emploi de troupes britanniques pour le contrôle douanier. Il est d'avis qu'une police douanière responsable devant l'Administration des Douanes alliée devrait être recrutée sur place.

3. Voici maintenant les vues du Gouvernement de Sa Majesté sur les droits et taxes que l'on propose de percevoir:

(a) Droits d'importation à la frontière orientale:

Ces droits ne devraient pas dépasser 25 pour cent des droits allemands actuels, sauf autorisation formelle des Gouvernements alliés. Les marchandises originaires d'Allemagne en transit à travers les territoires rhénans seraient exemptes de tous droits.

(b) Droits d'exportation à la frontière occidentale:

Les propositions de la Commission sont approuvées, sous réserve que, si des droits à l'importation sur les marchandises importées dans les territoires rhénans et venant de l'ouest sont réduits, il devrait y avoir une diminution correspondante des droits à l'exportation à la frontière orientale, de façon que la somme des droits à l'importation sur la frontière occidentale et de ceux à l'exportation sur la frontière orientale ne soit pas inférieure aux droits de douane allemands.

(c) Restriction à l'importation et à l'exportation:

Le Comité est d'avis que ces restrictions devraient être entièrement abolies. Si la Haute-Commission interalliée des Territoires rhénans croit nécessaire de maintenir des prohibitions à l'importation, il devra être stipulé qu'elles seront également imposées aux marchandises en provenance d'Allemagne et de tous les autres pays.

No. 489

Lord Hardinge (Paris) to Earl Curzon (Received April 2, 2.35 p.m.)

No. 174 Telegraphic [C 6743/2740/18]

PARIS, April 2, 1921, 1.45 p.m.

Your telegram No. 147.¹

Following from Mr. Robertson.

It will probably be possible to pay volunteer force out of customs receipts but French might object that they could provide troops at much less cost.

¹ No. 486.

I have not yet discussed question with my French colleague. If no British troops are available and money is not forthcoming to pay volunteers, I . . .² no alternative to accepting French help which would be most undesirable from every point of view.

Would it not be possible to send coastguards or a naval battalion?

² The text is here uncertain.

No. 490

Lord Hardinge (Paris) to Earl Curzon (Received April 4, 11.30 a.m.)

No. 175 Telegraphic: by bag [Confidential/General] 199/3]

PARIS, April 2, 1921

The Conference of Ambassadors met this morning under the presidency of Monsieur Jules Cambon to deal with the report of the committee appointed to examine the British observations on the report of the Rhineland Commission (see my telegram No. 172 of yesterday's date, section 2).¹ A copy of this report, together with a copy of the statement² made by me at yesterday's meeting, is enclosed in my despatch No. 978 of to-day's date.³ The Italian Ambassador wished it to be placed on record that under no circumstances should the commission take any action which would interfere with the enjoyment of the rights accorded to the Allied and Associated Powers by article 267 of the Treaty of Versailles.⁴

The report, which appears to be satisfactory to His Majesty's Government in that it meets all their points or enables them to be met by the medium of direct instructions sent to the High Commissioner was approved by the Conference.

The date on which the new frontier line will take effect will presumably depend on the delay which may be necessary for sending out the British customs officials. I presume Your Lordship will send direct instructions to Mr. Robertson, who returns this evening to Coblenz, on this point.⁵

¹ Not printed.

² Not traced in the Foreign Office archives.

³ No. 488.

⁴ The article read: 'Every favour, immunity or privilege in regard to the importation, exportation or transit of goods granted by Germany to any Allied or Associated State or to any other foreign country whatever shall simultaneously and unconditionally, without request and without compensation, be extended to all the Allied and Associated States.'

⁵ In his telegram No. 44 of April 5, Mr. Robertson reported that the President of the Conference of Ambassadors had informed the High Commission that they could put into operation the customs proposals approved by the Allied Governments and requested to be informed whether H.M. Government concurred. The Foreign Office replied in telegram No. 33 (repeated to Paris as No. 159) of April 6:

'Proposals may be put into operation in form approved by Conference of Ambassadors.

'You should be careful to ask for instructions on all points likely to affect British interests that may arise.'

See No. 481, n. 3.

No. 491

Mr. Robertson (Coblenz) to Earl Curzon (Received April 8, 9.30 a.m.)
No. 46 Telegraphic [C 7154/2740/18]

Urgent

COBLENZ, April 7, 1921, 4.30 p.m.

It now appears practically certain that Germans will refuse all co-operation in the establishment of customs line. German Government have instructed customs officials that though they may continue to work on the western frontier they will be immediately dismissed and lose their pensions if they accept service under the Allies on the eastern frontier.

A high German customs official who had co-operated loyally with us was recently summoned to Berlin and will not return. We can, of course, requisition the services of customs officials, and in the event of their refusal, take action under ordinance number 77¹ but it is possible that they may prefer to submit to fine and imprisonment by the Allies rather than to permanent dismissal by German Government.

In the circumstances serious situation will arise. Only alternative to the employment of many hundreds of Allied customs officials, which would not be very desirable, appears to me to close eastern frontier practically altogether. Matter will have to be considered by High Commission and I should be glad to have your views as soon as possible.

Addressed to Foreign Office, Paris and Berlin.

¹ A copy of this ordinance, dated March 8, was enclosed in Mr. Robertson's despatch No. 161 of April 18, not printed. Article 4 stated that any person committing an offence against this ordinance was liable to a fine not exceeding 100,000 marks or to imprisonment for a term not exceeding five years or to both fine and imprisonment. See the *Official Gazette of the Inter-Allied Rhineland High Commission*, 1920-2, pp. 66-67.

No. 492

Lord Hardinge (Paris) to Earl Curzon (Received April 11)
No. 1071 [C 7309/2740/18]

PARIS, April 8, 1921

My Lord:—

The Belgian Ambassador came to see me this morning and told me that his Government had been much concerned by the suggestions made in the French Press and the tone of Monsieur Briand's speech in the Senate,¹ which implied that the French Government intended to take isolated action without the co-operation of the Allies, in the event of the German Government failing to carry out their financial obligations on the 1st May. He had been instructed by his Government to enquire what the real intentions of the French Government might be, especially as the Belgian Government were under the impression that they alone of the Allied Governments had not been made aware

¹ Of April 5. See No. 493, n. 2, below, and *The Times*, April 6, p. 9.

of them. I assured Baron de Gaiffier that as regards the last point, his Government were under a misapprehension, since His Majesty's Government had no definite knowledge of what the intentions of the French Government might be.

Baron Gaiffier told me that he had been in consequence to see Monsieur Berthelot. The latter had reassured him, stating that Monsieur Briand was particularly anxious to take no step against Germany without the full and active co-operation of the Allies. He himself was in favour of delay and that nothing should be said to Germany until after the 1st of May. He was preparing a list of the failures of Germany to execute the Treaty, and Marshal Foch was in the course of preparing a similar document. These will be presented by the French Government at an Allied Conference to be summoned at a date later than the 1st May, when the question of what action should be taken will be fully discussed and decided by the Powers. I told Baron Gaiffier that Monsieur Briand in conversation with me, on the morning of the day of his speech in the Senate, had frankly told me that the future sanctions to be imposed on Germany would be the occupation of the Ruhr and the seizure of the Maritime Customs at Hamburg and Bremen, should such action be necessary owing to the defalcations of Germany. I added that it was quite clear from the Press and from the temper of both the Chamber and the Senate that France as a whole would be content with nothing less, and that were Monsieur Briand to propose further delay or less drastic action, he would be thrown out of power within twenty-four hours. The Belgian Ambassador cordially agreed with me, but remarked that in his opinion the occupation of the Ruhr would be a most perilous enterprise and that it would react very unfavourably on the question of Reparations and the internal situation in Germany, which in the general interests of the Allies should be preserved in as peaceful a condition as possible.

I have, &c.,

HARDINGE OF PENSHURST

No. 493

Sir G. Grahame (Brussels) to Earl Curzon (Received April 12)

No. 329 [C 7470/2740/18]

Confidential

BRUSSELS, April 8, 1921

My Lord,

I had the honour to inform your Lordship by my telegram No. 63 of yesterday's date¹ that the speech made by the French Prime Minister in the Senate on the 5th instant had taken the Belgian Government by surprise, and had greatly perturbed the Minister for Foreign Affairs.²

¹ Not printed.

² In a minute on this telegram and on the text of M. Briand's speech of April 5 (transmitted in Lord Hardinge's despatch No. 1054 of April 6, not printed), following a long minute by Mr. Waterlow on the problems raised by M. Briand's statements and discussing whether it were advisable to continue to support the French Government, Sir E. Crowe commented:

M. Jaspar informed me yesterday that he had caused representations to be made to the French Government, and had pointed out that the Belgian Government considered it inadmissible that the French Government should come to decisions with regard to action against Germany without previously taking counsel with their allies.

M. Jaspar, speaking with considerable agitation, said that he considered that France's allies were on a slippery slope, and he felt that it was advisable to grasp at anything which would prevent them from slipping farther down it. He was ready, if your Lordship and the Prime Minister considered that it would be useful, to proceed to London in order to discuss the situation with you.

It is evident that the Belgian Government particularly dread the situation arising in which France, having decided on some drastic action against Germany, would invite Belgium to join with her, while at the same time giving her to understand that, if she refused, France would go on alone. Such a situation would place the Belgian Government in a dilemma. Should they refuse to accompany France, a violent storm would burst against them here. On the other hand, if they consented to accompany her, they would not know to what lengths the French Government might not go. The dilemma would be much worse if England disapproved or hung back.

M. Jaspar and, at any rate, a majority of his colleagues in the Cabinet disliked the use of military force against Germany unless all the Allies, after mature reflection, consider that it cannot be avoided. At the recent Conference in London such a course appeared to the Belgian delegates to be inevitable, and they felt impelled whole-heartedly to support the proposed application of sanctions; but they hoped that the result would be that Germany would speedily yield to the pressure applied to her, and that a settlement would be reached, thus rendering possible a return to normal conditions.

'I am afraid the moment is not a favourable one for asking the cabinet to decide a most important question of general foreign policy on a hypothetical basis.

'On the other hand it may well be urged that previous decisions have suffered from want of thorough consideration of all the consequences involved, for want of time.

'If this difficulty is to be prevented from again arising, it seems necessary that [we discuss] what action should be taken when on the 1st of May, Germany is found technically, and in fact, to be defaulting under the treaty.

'However we may criticize the French desire to proceed to further measures of coercion, it is difficult not to see that the German government is showing an absence of good will and good faith in meeting her obligations which is sure to persist and grow if she discovers that the allies hesitate to insist on the fulfilment of her obligations. We are evidently dealing with a German government which is in no way distinguishable from all German governments of pre-war days.

'The practical problem is to hit upon forms of effectual coercion which will not simultaneously injure the allies themselves. It might be prudent to ask the French government now what further action after May 1st they have in mind and how they believe such contemplated measures will work out in practice. We might at the same time say, "a limine", that we seriously deprecate any military operations. E. A. C. Ap. 9.'

On April 10, Lord Curzon added: 'I think I ought to speak about this before long to M. de St. Aulaire [the French Ambassador in London].'

M. Jaspar watches carefully the development of the French attitude. He is aware that France has been credited with having an *arrière-pensée* in taking action against Germany, which is distinct from temporary coercion with a fixed and openly proclaimed object in view.

Public opinion here is easily excited against Germany, and M. Briand's threatening speech in the Senate has already had its effect. The Nationalist and Francophil press is already abusing M. Vandervelde, the Socialist Minister of Justice, for his 'international' and 'pacifist' views, and adjuring the Belgian Government not to hesitate, but to throw in their lot with France in coercing Germany. Should it suit the purpose of the French Government, it would not be hard for them to bring influences to bear which would fan the flames of opposition to a recalcitrant attitude on the part of the Belgian Government.

I do not feel certain that, supposing the Belgian Ministers disapproved of the character of French proposals for measures to be taken against Germany after the 1st May, they might not be blown out of their course by a gust of public opinion here.

In discussing with M. Jaspar what M. Briand's speech portended, I alluded to the tone of the French press, and called his attention to a leading article in the 'Figaro' of the 6th instant by M. Recouly, the well-known writer on foreign affairs. In this article M. Recouly scarcely troubled to disguise his expectation that Great Britain had her hands so full with troubles at home that she would have little energy left for asserting herself in foreign affairs. I remarked to M. Jaspar that those who, in the past, had speculated upon internal difficulties causing British statesmen to relax their efforts to make the influence of Great Britain felt on international issues had invariably found that they had made a false calculation. M. Jaspar heartily endorsed this view.

I may mention, in conclusion, that several Ministers, including M. Jaspar, have quite recently said that, according to information which had reached them from Germany, there were signs that the German Government were weakening in the attitude adopted at and since the London Conference. This information was received prior to M. Briand's speech.

I have, &c.,
GEORGE GRAHAME

No. 494

Record by Sir E. Crowe of a conversation with the Belgian Ambassador
[C 7481/2740/18]

FOREIGN OFFICE, April 8, 1921

The Belgian Ambassador expressed to me to-day, by instruction of his Government, the grave anxiety felt by them as to the action which the French Government may be contemplating by way of further sanctions against Germany, if by the 1st May the German Government have not

definitely proved their readiness to fulfil the Treaty. The Belgian Government are seriously alarmed at the tone of M. Briand's recent speech in the Senate,¹ and they fear that the French Government may drag the Allies into further complications by precipitate military action. At the same time they are specially perturbed at the idea that, as on the occasion when the French occupied Frankfort and four other German towns,² they might put great pressure on the Belgian Government to join with them, whilst at the same time the British Government might resent such action on Belgium's part. This is the situation they desire at all costs to avoid. The Belgian Ambassador was accordingly instructed to ask two questions in strict confidence: (1) whether the French Government had made any proposals to us for action against Germany, and (2) if so, what were the views of our Government in this matter.

I said I could immediately reply to the first of these questions: the French Government had made no proposals, and we were equally in the dark as to what particular measures M. Briand might have had in his mind when he spoke of 'seizing Germany by the collar'.³ I added that so far as I knew, the British Government had not as yet gone into the question of what their attitude should be in case France proposed the application of further sanctions on the 1st May. A good deal would, of course, depend on what these proposals were.

The Ambassador, reiterating the desire of his Government to act in close harmony with us, then asked whether we would give an assurance that, if and when the question of concerting further measures with France arose, we would communicate with the Belgian Government. I said that it had always been the policy of the British Government in these matters to act loyally with their allies, and whilst I had of course no authority to say anything definite in reply to the particular question he was asking me, I felt confident that the British Government would certainly not fail to consult with their Belgian ally, as soon as it became a practical question of deciding upon a common policy.

E. A. C.

¹ See No. 492, n. 1.

² On April 6, 1920. See Vol. IX, Chap. IV.

³ Lord Curzon added: 'I think that in one of his speeches M. Briand explained and defined the "collar".' Cf. Vol. XV, p. 482.

No. 495

Earl Curzon to Mr. Gurney (Tokyo)

No. 79 Telegraphic [C 6763/2740/18]

FOREIGN OFFICE, *April 9, 1921, 3 p.m.*

Your telegram No. 117 (of March 22nd: initiation by Japanese Government of legislation similar to Reparations Recovery Act).¹

¹ In this telegram Mr. Gurney, H.M. Counsellor at Tokyo, reported: 'Japanese Government are deferring initiation of legislation here and instructions to representatives abroad pending the receipt of information which Japanese Ambassador London has been asked to obtain in regard to certain technical details connected with proposed measure.'

Of the allied powers entitled to a share in the reparation payments, France, Italy, Belgium, Greece, Serbia, Roumania, Portugal, Siam and Liberia have already introduced or decided to initiate legislation similar to the Reparations (Recovery) Act of which summary is contained in my telegram No. 67 (of March 13th).² His Majesty's Government therefore trust that, in the interests of allied solidarity and in order at once to bring the utmost possible pressure to bear upon Germany with a view to a speedy settlement of the reparations question, Japanese Government will now see their way to initiate similar legislation.

Text of act goes to you by next bag:³ and copy has been communicated to Japanese Embassy here.⁴

We are asking French, Italian and Belgian Governments to instruct their representatives to take similar action.

² This telegram, addressed as No. 61 to Berlin and repeated as No. 67 to Tokyo, contained the summary given in circular telegram No. 16 of March 11 (No. 459). The first sentence, however, read: 'The following is a summary of the Bill now before the House . . .' and an additional paragraph (6) was inserted after (5) which read: 'The bill will not apply to any goods imported before March 31st 1921 or to any goods imported before April 15th 1921 under contracts made before March 8th 1921.' (See No. 469, n. 3.)

³ A copy of the German Reparation (Recovery) Act, 1921, 11 Geo. 5, Ch. 5, dated March 24, 1921, was enclosed in Foreign Office circular despatch of April 11.

⁴ Enclosed in Foreign Office letter of April 11, not printed.

No. 496

*Earl Curzon to Lord Hardinge (Paris), Sir G. Buchanan (Rome)
and Sir G. Grahame (Brussels)*

No. 165¹ Telegraphic: by bag [C 6763/2740/18]

FOREIGN OFFICE, April 9, 1921, 5 p.m.

Of allied powers entitled² to a share in reparation payments, Bolivia, Cuba, Haiti, Peru and Japan have as yet taken no decision as to initiation of legislation similar to British Reparations Recovery Act.³

His Majesty's Representatives in these countries have today been instructed by telegraph to urge desirability of this procedure in interests of allied solidarity and in order to bring utmost possible pressure to bear upon Germany at once with a view to obtaining a speedy settlement of reparations question.

Please urge Government to which you are accredited to give similar instructions to their representatives in countries concerned.

¹ Telegram No. 165 by bag to Paris, No. 121 to Rome, and No. 50 to Brussels.

² In their telegram No. 38 of April 8, the Foreign Office informed Sir G. Clerk at Prague that the invitation to the Czechoslovak Government to initiate legislation should be regarded as withdrawn unless and until the Reparation Commission should decide that Czechoslovakia was entitled to reparation. In a telegram, No. 101 of April 22, the Foreign Office instructed Mr. Max Muller at Warsaw to explain to the Polish Government that Poland was not entitled to reparations under Part VIII of the Treaty of Versailles and that therefore the invitation to initiate legislation similar to the Reparation (Recovery) Act was withdrawn.

³ See Nos. 459, 469, 471, and 495.

No. 497

*Earl Curzon to Lord Hardinge (Paris), Sir G. Buchanan (Rome)
and Sir G. Grahame (Brussels)*

No. 166¹ Telegraphic [C 6763/2740/18]

FOREIGN OFFICE, *April 9, 1921, 7 p.m.*

Rio telegram No. 52 (of April 6th: attitude of Brazilian Government towards sanctions).²

Please inform Government to which you are accredited that Brazilian Minister for Foreign Affairs has informed His Majesty's Ambassador that announcement in *Journal de [Jornal do] Commercio* was official decision of President, who had drafted paragraph himself.

You should point out that declaration amounts to an announcement that Brazilian Government, far from assimilating their action to that of their allies, intend to co-operate with Germany.

His Majesty's Government therefore suggest that the French, Italian, Belgian and British representatives at Rio should be instructed to make a joint protest to the Brazilian Government against this action, and to say that the four governments cannot believe that the Brazilian Government, in making this declaration, can have reflected upon its results not only upon their relations to the allies, but also upon the possibilities of obtaining a speedy settlement of the Reparations question in which the Brazilian Government, in common with all the allied governments, are interested.

¹ Telegram No. 166 to Paris, No. 123 to Rome, and No. 52 to Brussels, repeated as No. 44 to Rio.

² This telegram contained a translation of an announcement in the *Jornal do Commercio* of April 6, which stated that Brazilian imports from Germany would be paid for entirely in cash.

No. 498

Record by Sir E. Crowe of a conversation with the Italian Ambassador

[C 8048/2740/18]

FOREIGN OFFICE, *April 9, 1921*

The Italian Ambassador spoke to me to-day on the subject of German reparations. He said his Government learnt from Berlin that the German Government might be disposed to come forward with fresh proposals if one of the Allied Governments were to make advances to them, however slight, and assure them that fresh proposals would be welcome. The Italian Government were anxious to know what were the views of the British Government in these circumstances.

I said this was an important matter of high policy on which I would have to refer to the Secretary of State. My own impression was that after all that had happened, His Majesty's Government would not be at all disposed to

make any advances. They had burnt their fingers twice in arranging for the putting forward of proposals to Germany; their efforts had failed for reasons which were entirely at the door of the German Government, and it was now for the latter to make the next move.¹ E. A. C.

¹ Sir E. Crowe's record was initialed by Lord Curzon.

No. 499

Mr. Russell¹ (Berne) to Earl Curzon (Received April 12, 10.30 a.m.)

No. 33 Telegraphic [C 7477/2740/18]

BERNE, April 11, 1921, 6.40 p.m.

Secret

Dr. Simons, German Minister for Foreign Affairs, left Berne this morning after a two days visit. He was entertained at lunch by Federal Council and by German Minister the next day. In addition leading Swiss officials, Dutch, Austrian, Swedish and Italian Ministers were bidden. Presence of the latter naturally excited some comment in press as it was obviously for some specific purpose. This purpose Italian Minister lost no time in disclosing to me confidentially. He is however saying nothing to French Embassy. At above-mentioned gathering he had no private talk with Dr. Simons, but at instigation of the latter, Monsieur Motta,² before party broke up, begged him to sound his Government as to whether Swiss Government could usefully act as mediator in promoting further conversations between Germany and allies on the subject of reparations. German Government it appears are desperately anxious for a settlement before May 1st, but hesitate to take first step as it would of course be thought that application of sanctions had brought them to their knees, which was not at all the case. In their dilemma Dr. Simons has been instructed to invoke the aid of Swiss Government. The latter, who thanks to former bad experience are very averse from any sort of interference, having [*sic*] evidently decided to accede to German request on account of restrictions imposed on their own trade by existing arrangement. But this first step is only tentative and they will keep strictly aloof if they hear from Italian Minister for Foreign Affairs that allied Governments are not disposed to favour the interference of a third party.³

¹ H.M. Minister at Berne.

² A former President of the Swiss Confederation, Director of the Political Department, and leader of the Swiss Delegation to the League of Nations.

³ Lord Curzon minuted on April 12: 'Surely the search for an intermediary is merely intended to safeguard the German *amour propre*. What does it matter whom they enlist? The point is that they are getting frightened and anxious to reopen negotiations. This is all to the good.'

No. 500

Lord D'Abernon (Berlin) to Earl Curzon (Received April 13, 10.25 a.m.)
No. 136 Telegraphic [C 7525/7525/18]

BERLIN, April 11, 1921, 8.20 p.m.

In 'Vossischer Zeitung' George Bern[h]ard publishes a sensational article stating that a secret agreement has been made between France and England under which England guarantees France all necessary military aid against (? Germany). France disinterests herself in Asia Minor and abandons ideas of separate policy in (? Russia). She promises English Government support of her entire fleet in case of any conflict with an oversea power.

Bern[h]ard regards this treaty as a success of English policy and result of failure of German diplomacy.

He proceeds to make a violent attack on German Ministry for Foreign Affairs.

This article has created considerable excitement on account of supposed relations between 'Vossischer Zeitung' and French Embassy.

If Your Lordship considers it desirable to make any statement regarding above will you please telegraph instructions.

No. 501

Letter from Sir G. Grahame (Brussels) to Sir E. Crowe
[C 8062/2740/18]

Private

BRUSSELS, April 11, 1921

My dear Crowe,

Brand Whitlock, the American Ambassador here said to me yesterday, à propos of Max, Burgomaster of Brussels, declining the offer of the Belgian Government to go on a Special Mission to congratulate the President of the United States, that he would have liked to have told Jaspar that in his opinion special missions to Washington at present could serve no useful purpose. The new Administration¹ was not sufficiently in the saddle to deal satisfactorily with all the problems which the Heads of such Missions would come to discuss.

Brand Whitlock said that he doubted whether Viviani had done much good to his country by going to Washington.² His first mission³ had not been a success; people in Washington had told him, at that time, that Viviani was overwhelming and that it was like having a great tenor bawling at one, and other disparaging remarks. These views seem to be borne out by Sir A. Geddes' telegram, No. 194 of April 5.⁴

¹ See No. 451, n. 2.

² See No. 470, n. 8.

³ M. Viviani had visited the United States with Marshal Joffre in April and May 1917.

⁴ Not printed. In this telegram Sir A. Geddes reported that President Harding had stated that: 'He still professed idea of ratifying Versailles Treaty with sweeping reservations but M. Viviani's mission had stirred up so much mud that that course was impossible and that peace would now have to be made by resolution.'

If, as one may suppose, the French Government are bent on securing the adhesion of the Belgian Government to their plans against Germany after May 1, they have done a clever thing in abolishing the 'surtaxe d'entrepôt' at this moment.⁵ The abolition of the necessity for Belgians to obtain a French visa on their passports before going to France, is also, though in a lesser degree naturally, a popular measure here.⁶

A very awkward situation will arise here if the French Government decide on drastic military measures against the Germans and summon the Belgian Government to join in them. The country will be divided on the subject. The attitude of Vandervelde seems to be hardening in the direction of opposing the further use of military force in present circumstances. It is not impossible that he and, at any rate, two out of the other three Socialists in the Cabinet may resign rather than accept such a policy. They are in favour of the resolutions adopted by the Socialist Congress at Amsterdam for seeking anew a basis for an agreement between the Entente and Germany about Reparations.⁷ Vandervelde told me himself that the Belgian Socialist delegates to the Amsterdam Congress were accompanied by a Member of the Belgian Reparation Commission and, before starting, took the advice of Theunis, the Minister of Finance, as to the line which they should take.

If Vandervelde, Wauters and Anseele leave the Cabinet, it would remain to be seen whether their departure would not render a Coalition Ministry impossible. It depends upon how many Socialist Deputies would follow Vandervelde's lead. There are roughly 71 Catholic Deputies, 70 Socialists, and 30 Liberals in the Chamber of Representatives, but the Catholics are not a homogeneous group as a portion of the Flemish Right is anti-French, and might not be relied upon to support the Cabinet whole-heartedly if it decided upon throwing in its lot with France.

A simple reconstruction of the Belgian Cabinet on this issue would presumably not have much effect outside Belgium, but if a regular Ministerial Crisis were to ensue the results might make themselves felt upon the general situation.

Vandervelde is the most forceful personality in Belgian politics and if he were to put the issue as one between supporting a militarist and nationalist policy against Germany or seeking an agreement on the lines of the Amsterdam Resolutions, it is presumable that his attitude would encourage movements in various other countries against the French policy of military action.

Yours very truly,

GEORGE GRAHAME

⁵ See the *Journal Officiel, Lois et Décrets*, No. 88, April 1, p. 3964, and No. 89, April 2, p. 4155.

⁶ See *The Times*, April 11, p. 9.

⁷ See *The Times*, March 31, pp. 7 and 9, and Lewis L. Lorwin, *Labor and Internationalism*, New York, 1929, pp. 231-4.

Memorandum by Earl Curzon on French Policy and Germany
[C 7591/2740/18]

Confidential

FOREIGN OFFICE, April 11, 1921

Monsieur Briand's recent speech¹ made it clear that the French Government intend to proceed to further sanctions against Germany, unless by the 1st. May the German Government have come forward with fresh proposals of a kind to afford adequate guarantees that she will make proper payment for reparation.

From a conversation between Monsieur Berthelot and the Belgian Ambassador in Paris,² it is to be gathered that the particular measures contemplated are: occupation of the Ruhr, and the seizure of the maritime customs at Hamburg and Bremen.

Monsieur Briand has stated emphatically that he counts on receiving the active co-operation of the allied governments in these measures. A letter from Mr. Mendl³ received today, suggests that he will ask for the support of the allies or, in the alternative, for allied approval of action undertaken by France alone. Mr. Mendl describes Monsieur Briand as unwilling to act unless either one or the other of these alternatives is assured, failing which he would resign, and his successor would probably be compelled by public opinion in France to act alone.

Monsieur Briand has expressed the expectation that, as a matter of fact, Germany will come forward with fresh proposals before the 1st. May, but that these proposals will prove inadequate.

The German Ambassador in London threw out a feeler at the Foreign Office today as to the reception which would be given to fresh German proposals, if now put forward.⁴ He was apprehensive that His Majesty's Government would refuse at this stage to receive or discuss any more German proposals, and claim to stand on the treaty. He was assured informally that His Majesty's Government would always be ready to listen to and consider, sympathetically, any proposals that showed a genuine desire on the part of the German Government to devise practical means for meeting their obligations. He was reminded that time was short.

This being the situation, it becomes important for His Majesty's Government to consider what should be their attitude. Several points call for attention:—

(1) On the assumption that German proposals are either not made, or are not adequate, should we join France in the proposed coercive measures, or give our formal approval to her acting alone, or should we decline to do either?

It is clear that if France is determined to act, there is some risk that our refusal to join might imperil the continuance of the Entente; and this might tend to strengthen Germany's opposition, and even lead to her adopting a

¹ i.e. of April 5, see No. 492, n. 1.

² See No. 492.

³ Not printed.

⁴ See No. 503, below.

general attitude of defiance as regards the whole of her treaty obligations, and notably as regards Poland and Dantzig. Against these general considerations must be placed the undesirability and even danger of being drawn into a policy with which at least we disagree, and the end of which it is impossible to forecast.

(2) Should we wait until the French Government approach us formally with proposals for action, or should we, on our part, ask them for a statement of what they propose to do?

The answer to this question depends to some extent on the view we take of the above alternatives. If we decide that we ought in the last resort to stand by France, then we can afford to wait; and there would be some advantage in our waiting to see whether, after all, Germany may not make suitable proposals; for if so, we should remain perfectly free either to urge upon the French Government that, in view of such proposals, further sanctions are unnecessary; or, in the alternative of proposals either not forthcoming, or proving unsatisfactory, we should be able to base upon this fact fuller justification for further coercive measures, in which we could either join, or which we could at least approve. If, on the other hand, we are quite determined in no case to approve, still less to co-operate in, further measures of violence, it would be well to let the French understand this as soon as possible, so as to give Monsieur Briand every opportunity of considering his position, and for preparing French public opinion, if necessary.

(3) If we decide to take the initiative in approaching the French Government, what form shall our communication take? Should it be in the form of a written and reasoned statement of our views, either addressed to the French Ambassador here or sent through Lord Hardinge, or should a verbal communication be made through either of these two channels?

The situation is so delicate that in all probability it will be less difficult to obtain a reasonable hearing for our arguments in favour of refusing co-operation if we refrain from the formalities of a written statement; and on the whole it may be suggested that the best method would be conversation with the French Ambassador here. But in that case, if we reject the proposals of the French we must be prepared with a reply to the obvious question, put by them, 'What then is the policy that you would adopt?'

(4) Would it be desirable to consult with the Belgian and Italian Governments without waiting until we receive the French proposals?

The Belgian Government are, so far as we know, on the whole opposed to further coercive measures.⁵ If we decide not to follow France, there will be an obvious advantage in our having the support of the Belgian Government. On the other hand, the French might conceivably make it a cause of complaint, if they heard of our discussing with the Belgians a joint refusal to join in action which the French Government had not yet actually proposed. Nevertheless, the fact that some measures of coercion have been distinctly foreshadowed in Monsieur Briand's speech, gives us a perfect right to consult with the Belgian Government as to our attitude towards proposals for such

⁵ Cf. Nos. 493 and 494.

action—the more so that the Belgians have already taken the initiative in expressing both surprise and concern—and we could always turn the tables on the French, by saying that it is we who might complain that the French had not taken us into their confidence. The same argument applies to Italy. But less reliance can be placed in Italian than in Belgian discretion. Moreover Italian assurances are generally illusive. C. of K.

No. 503

Record by Sir E. Crowe of a conversation with the German Ambassador
[C 8002/2740/18]

FOREIGN OFFICE, April 11, 1921

The German Ambassador spoke to me with evident anxiety to-day of the danger which seemed to be threatening Germany on the 1st May. He asked whether I could tell him anything of what the French Government proposed to do. I replied that he had better read M. Briand's recent speech,¹ which seemed to make the attitude of the French Government quite clear. I was not in a position to add anything to the information to be gathered from that pronouncement, but I suggested that it was still open to the German Government to take such action as would produce by the 1st May a situation different from that which M. Briand apprehended he would have to meet.

M. Sthamer then said that, whilst he had no official instructions, he gathered from the newspapers and other sources that Dr. Simons desired to bring forward fresh proposals on the subject of reparation. M. Sthamer was anxious for my opinion whether the German Government, by taking such action, would expose themselves to a new rebuff. He was apparently under the impression that the allied Governments might altogether decline to look at any further German proposals, and he complained that the reception given to all previous German efforts to find a solution of the admitted difficulties was most discouraging. He would like to be able to assure Dr. Simons that if fresh proposals were now made, they would not be rejected, at least by the British Government, *a limine*.

I said that, like him, I had no special authority to express an opinion on such a point, but I suggested that it was quite contrary both to the general practice of His Majesty's Government and to the line which they had consistently pursued in regard to the reparation problem, to refuse a hearing to any reasonable proposals. I should have thought that, on the contrary, everything pointed to the advantage of the German Government making a renewed effort; only such an effort ought to be of a more practical kind, and have greater regard to the realities of the situation, than those which Dr. Simons had previously put forward.

M. Sthamer than [*sic*], at some length, complained of the manner in which the French Government persistently turned down everything that the Ger-

¹ See No. 502, n. 1.

mans proposed. He intimated that a good deal had passed between the French and German Governments indirectly, notably through the channel of M. Loucheur²—but none of the concrete measures proposed on Germany's part had ever received proper consideration, and whenever the stage was reached of a definite German proposal being put forward, it had invariably remained unanswered. He expatiated on the admitted difficulties of making payments abroad, whilst reiterating the desire of the German Government loyally to meet the obligations so far as it was practically possible for them to do so, but the allied Governments made it more and more difficult for Germany to meet the practical difficulties, and since the last conference in London³ Germany's prospect of being able to rely for payments on an expanded export trade had been dashed to the ground by the Allies practically prohibiting German external commerce.

I said to M. Sthamer that I did not wish to enter into a discussion of this matter, but I must protest against this extraordinary perversion of facts. It was not the allied Governments that were trying to stop German export trade: what the allied Governments had done was to adopt a measure calculated to facilitate Germany's paying for reparation without having to make actual payment in foreign countries. If the German Government had been reasonable and endeavoured to co-operate with the allies, it would have been possible, under the measures which we had adopted, for Germany to discharge a considerable portion of what she owed in reparation by making payments to her own people, in her own country. The German Government had refused to do anything of the sort, and in fact it is *they* who had now practically prohibited German exports to the allied countries by the attitude they had adopted.

The subject then dropped, and M. Sthamer again expressed the anxious hope that between now and the 1st May means would be found to avoid the grave dangers which the declared policy of the French Government appeared to threaten.

² See No. 436, n. 4.

³ The Conference met from February 21 to March 14. See Vol. XV, Chap. II.

No. 504

*Lord Hardinge (Paris) to Earl Curzon (Received April 13)*¹

No. 195 Telegraphic: by bag [C 7524/2740/18]

PARIS, April 12, 1921

It is becoming increasingly clear that French Government will experience great difficulty in inducing Parliament to accept Bill regarding 50% tax on German imports. At Financial Commission of Chamber yesterday, 31 members out of 44 being absent, proposal to examine Bill in detail was only adopted after long discussion by 3 votes to 2, 8 abstaining, and the 'reporter' of the Bill has to ask Government for further explanations before any progress

¹ The time of receipt of this telegram is not recorded.

can be made. Opposition is based on almost universal feeling in France that adoption of the measure by this country would severely handicap French commerce (which has urgent need of certain classes of German goods) without sufficient corresponding advantage.

Your Lordship will recollect (see my telegram No. 148 of March 17th)² that Monsieur Briand has definitely undertaken that as from May 1st proceeds of tax will be pooled in common Reparation account and distributed among Allies according to percentages settled at Spa last year.³ The French Government are therefore under a certain obligation to make their view prevail and the bill become law.

² Not printed.

³ See Vol. VIII, Chap. VIII.

No. 505

Record by Sir E. Crowe of a conversation with the Italian Ambassador

[C 7714/2740/18]

FOREIGN OFFICE, April 13, 1921

The Italian Ambassador read to me to-day a number of communications which he had received from Count Sforza¹ on the subject of German reparation. These communications dealt with various aspects of the question, of which the following are the principle [*sic*] points:—

Count Sforza has received from the Swiss Government the enquiry as to Switzerland serving as an intermediary for putting forward fresh German proposals—of which we have already heard.² In answer to M. Motta's question whether the Italian Government would advise the Swiss Government to come forward in the matter, Count Sforza replied that he saw no prospect whatever of any fresh German proposals leading to a change in the situation created by the recent London conference, unless the United States could be brought in.

I asked M. de Martino what kind of American intervention Count Sforza had in his mind. He replied that on this point Count Sforza's message was silent, but he supposed his idea was that the United States Government might send a message to the several Allied Governments, urging upon them not to rush into fresh coercive measures without giving the fullest consideration to the new German proposals. Possibly (although about this M. de Martino was more doubtful) the United States Government might offer to take part in the discussions for the purpose of finding a solution.

M. de Martino then proceeded to translate for me from an Italian paper in his hands, certain views and suggestions which had been put forward by Dr. Giannini, the Italian economic expert. At my request, M. de Martino eventually agreed to leave with me a copy of this document,³ but begged me to treat it as strictly confidential as he had no authority either to part with it, or officially to endorse the views which it expressed. So far as M. de

¹ Italian Minister for Foreign Affairs.

² See No. 499.

³ Of April 13, not printed.

Martino's rather rapid, and somewhat confused, translation allowed me to judge, I gathered that the point upon which Dr. Giannini principally laid stress was the necessity of Italy, Great Britain, Belgium⁴ and, if possible, Japan, putting pressure upon the French Government not only to hold their hand until the German proposals had been considered, but also of losing no time in setting up adequate machinery for conducting such discussion and investigation. He considered it inadvisable to bring in the Reparation Commission, because they had no option but to stand on the clauses of the treaty: he was in favour of going back to the Brussels conference of experts.

I thanked the Italian Ambassador for his communication, which I promised should be treated as confidential.⁵ E. A. C.

⁴ Belgium is not mentioned in the Italian memorandum.

⁵ Sir E. Crowe minuted on April 13: 'I have no belief in the utility of seeking the intervention of the U.S. government, unless the nature of the expected German proposals proves to be such as to make the possibility of their acceptance dependent upon American cooperation. I would therefore recommend deferring the consideration of this point until we have the German proposals.

'On the other hand, the Italian suggestion for a preliminary understanding as to the method of dealing with the proposals when made—i.e. by utilizing the Brussels conference of experts—deserves early consideration. The French will not like it; for they never looked upon the Brussels discussion with sympathy. But if England, Italy, Belgium, and Japan were to come to an understanding that this course was the most promising in the circumstances, their united pressure on M. Briand might be successful.

'If this view were approved, it would be advisable to get into touch as soon as possible with the 3 ambassadors here and, verbally, to suggest cooperation on these lines, always provided that the German proposals offer at least *prima facie* a reasonable basis of discussion.'

Lord Curzon added: 'I need a little more information.

'I earnestly hope that we shall not bring in the U.S. Govt. unless we are either compelled to, or are likely to extract positive advantage from doing so.

'As to the suggestions about the Brussels experts

- (1) Who were they?
- (2) Were they intended to advise their Govts independently of the Repar[atio]ns Commission?
- (3) Were they *ad hoc*?
- (4) Can they be revived for such a purpose as this and are the German proposals likely to be so exclusively financial as to justify us referring them to a body of financial experts who are not ministers? C. 13/4.'

No. 506

Earl Curzon to Lord D'Abernon (Berlin)

No. 77 Telegraphic [C 7525/7525/18]

FOREIGN OFFICE, *April 14, 1921, 3 p.m.*

Your telegram No. 136 (of April 11th. Reported Franco-British secret agreement).¹

Reuter here has already been informed that story is pure fabrication.²

¹ No. 500.

² A statement to this effect was printed in the *Manchester Guardian* of April 12.

If a statement to this effect has not already appeared in German press, you may give an absolute and categorical denial to whole story, pointing out that, while complete accord with France remains an essential part of British policy, there can be no question of any such secret agreement as that reported.

No. 507

*Mr. Robertson (Coblenz) to Earl Curzon (Received April 14, 11.30 p.m.)
No. 48 Telegraphic [C 7685/2740/18]*

COBLENZ, April 14, 1921, 6 p.m.

My telegram No. 46.¹

Customs officials have received secret instructions from the German Government that they are not to execute orders of High Commission given in connection with establishment of new customs régime. Several defections of officials, entrusted by High Commission with special custom duties, have taken place and more defections are expected. By virtue of ordinance No. 77, High Commission is bringing these officials before a military court for non-compliance with orders.² Should defections take place on such a large scale that establishment of Eastern customs frontier becomes an impossibility, the High Commission propose to close this frontier to all goods traffic until such time as other arrangements for establishment of customs frontier have been completed.³

New customs régime established by ordinances Nos. 81 and 82⁴ will come into force on April 20th.

Addressed to Foreign Office, Berlin, Paris.

¹ No. 491.

² See 491, n. 1.

³ Lord Curzon replied in his telegram No. 35 of April 19, not printed: 'I concur in course proposed by High Commission should necessity arise.' In a further telegram, No. 38 of April 23 (repeated to Paris as No. 196), Lord Curzon added: 'Proposed action by High Commission is approved, should it become necessary. It must, however, be clearly understood that measure is intended to be of a temporary character.'

⁴ Copies of these ordinances were enclosed in Mr. Robertson's despatches Nos. 162 and 163 of April 18. See the *Official Gazette of the Inter-Allied Rhineland High Commission*, pp. 83-100.

No. 508

*Lord D'Abernon (Berlin) to Earl Curzon (Received April 15, 10.45 a.m.)
No. 140 Telegraphic [C 7713/2740/15]*

BERLIN, April 14, 1921, 8.5 p.m.

Cabinet discussed question of reparation yesterday.

'Berliner Tageblatt' states that Government intend before allowing further sanctions to be applied to exhaust all possibilities to arrive at an agreement with the Entente.

Several Cabinet meetings are expected to take place in the course of the next few days but no publication of new German proposals is expected before the beginning of next week.

'Germania' which is in close touch with Fehrenbach¹ declares that Cabinet discussed proposed mediation of a neutral power with a view to inviting President of (? United States) to bring about new negotiations between Entente and Germany. It further states that question of an international arbitral tribunal will probably form part of German proposals.

'Germania' adds 'time is pressing, it is necessary at all costs to enter into relations with Entente. It is so necessary that if personality of Minister for Foreign Affairs is an obstacle we must not hesitate to remodel Cabinet'.

Newspapers of the Right state that the idea of remodelling Cabinet is due to the influence of Erzberger² and Scheidemann³ who hope to re-establish the old coalition.

¹ Chancellor of the German Reich.

² See No. 194, n. 1.

³ A leading member of the Majority Socialist Party (Socialdemokratische Partei Deutschlands).

No. 509

Lord D'Abernon (Berlin) to Earl Curzon (Received April 16, 8.30 p.m.)

No. 141 Telegraphic [C 7784/2740/18]

BERLIN, April 16, 1921, 2.15 p.m.

French Ambassador saw Minister for Foreign Affairs yesterday on current questions and gave him intentionally an opportunity to indicate outline of German counter proposals. Minister for Foreign Affairs carefully (? abstained from) taking advantage of opportunity and gave no hint of lines on which he was working.

I hear from another source that German Government have sounded both Switzerland and Czechoslovakia with a view to these countries acting as intermediaries between Germany and United States or between Germany and Entente. In both cases proposal was declined, Doctor Benes¹ sending a message to German Government that they had much better make their proposals direct and quickly.

In the course of my conversation with French Ambassador I said 'I understand very well what Germans should not do. I am more embarrassed to suggest what they should do and what they can do with a fair chance of bringing about agreement.'

He replied 'I should advocate (A) a serious and practical contribution in kind towards restoration of devastated areas, (B) participation in German industry and banking on Reichberg lines. (See my despatch No. 556.²) Both these offers would have great moral effect in France, greater than their financial value.

¹ Czechoslovak Minister for Foreign Affairs.

² A Foreign Office note here read: 'Perhaps Lord Kilmarnock's No. 468 which contains a memo by Capt. von Rechberg. The No. referred to has not been received.'

‘(C). Germany would have to make a financial contribution but participation on Rechberg lines in German industry which would (? associate) us in restoration of German prosperity would enable fixed annuities to be reduced.’

He said ‘I cannot guarantee that Paris would accept these terms but my personal opinion is that above is most promising direction which German offer can take.’

I propose to see Minister for Foreign Affairs myself to-morrow or Sunday.³ So far I have kept away deliberately.

³ i.e. April 17. This telegram was drafted on April 15.

No. 510

Lord D'Abernon (Berlin) to Earl Curzon (Received April 19, 3.30 p.m.)
No. 142 Telegraphic [C 7993/2740/18]

BERLIN, April 18, 1921, 8.10 p.m.

I had long conversation with Minister for Foreign Affairs this morning.

I introduced subject of Reparations by saying: ‘I have not been to see you since your return as I knew you were heavily engaged in discussion with your colleagues. I considered that it might be inconvenient to you to make any declaration or statement until your discussions led to some agreement.’

Minister for Foreign Affairs replied: ‘I am indebted to you for attitude you have assumed. We have in truth had interminable discussions in Cabinet and I cannot say these have as yet led to agreement upon a plan which has chances of acceptance. I regard future as dark and menacing. I am not yet in a position to make you any official communication regarding German proposals. I must consult Chancellor this afternoon as to what communication I can make.

I shall then hope to have another interview.’

In the course of subsequent conversation I gained impression that Cabinet have not yet fixed on any definite line. They have been in communication through neutrals with America but are not yet in a position to say how far America would fall in with their schemes.¹ Dr. Simons indeed seemed to think it improbable that United States Government will give any definite answer for some time.

I impressed upon Simons two points:—

1. Great desirability of a declaration by German Government that they accepted Paris resolutions.
2. Grave danger of presenting Entente with a cut-and-dried offer without previous exploration and reconnaissance as to acceptability of such offer as a basis of discussion.

With regard to 1., Minister for Foreign Affairs said: ‘If we agreed to Paris resolution as a basis of discussion—proposal which I am in no way authorised

¹ See *F.R.U.S.*, 1921, vol. ii, pp. 40–41.

to put forward or assent to—(? a) (? temporary) . . .² clause would have to be inserted of nature of Article 234, Treaty of Versailles. Under this there would be element of uncertainty of going “downwards” if German economic development was unsatisfactory; just as there is an “upwards” under 12½% export clause if Germany prospers. It would also be necessary to revise Paris decisions in respect of Germany’s right to borrow and in respect of interference with or control of German administration.’

I replied to Simons that a declaration by Germany that she accepted Paris proposals in principle would . . .² very favourable influence upon tone of discussion. I could not say whether reserves ‘downwards’ would be accepted, but fact that under Article 234, Treaty of Versailles a similar eventuality had been contemplated appeared to be an argument for further consideration—more particularly if deciding authority was commission of Reparation as under Article 234. The other reserves which he had mentioned appeared to be in a different order of magnitude from . . .² declaration that Paris basis was accepted and they might therefore in certain eventualities be subjects of discussion.

With regard to second point above mentioned, namely danger of putting forward cut-and-dried proposal to be taken or left by Entente, Simons appeared to me to be impressed with breakdown which had resulted from this procedure at London Conference. He urged with great insistence . . .² and immense (? peril) for (? whole of) Europe which would be result of application of further sanctions or by [? of] occupation of Ruhr. Such measures of force would in his . . .² judgment lead to civil war in Germany.

My general impression from conversation is that Simons is meeting with vehement opposition from some of his colleagues and is himself somewhat despondent regarding possibility of obtaining their assent to acceptance of offer.

² The text is here uncertain.

No. 511

Lord D'Abernon (Berlin) to Earl Curzon (Received April 19, 11.50 a.m.)
Unnumbered Telegraphic [C 7990/2740/18]

Private

BERLIN, April 18, 1921, 8.10 p.m.

My telegram No. 142.¹

If Your Lordship considers acceptance by German Government of Paris resolutions, subject to reserves mentioned, is promising ground work for negotiation I should be glad if you would telegraph to me.

I could then endeavour to bring Government round (? to this) (? basis). Without guidance they are not unlikely to float about and put forward some quite (? impossible) . . .² scheme.

Minister for Foreign Affairs fully realizes how inconsistent it would appear if he agreed to Paris . . .² (? after) (? what he) has said in public but on a full review of possibilities this appears to me to be the least unhopeful line.

¹ No. 510.

² The text is here uncertain.

*Mr. Robertson (Coblenz) to Earl Curzon (Received April 20)**No. 159 [C 8051/2740/18]*COBLENZ, *April 18, 1921*

My Lord,

I have the honour to remind Your Lordship that the Customs Regime set up by the High Commission's Ordinances Nos. 81 and 82 will come into force on April 20th next.¹

I fully understand that the situation in England does not allow of reinforcements being sent to the British area to enable the British Commander-in-Chief to spare the necessary men for the setting up of adequate control posts.

To my telegram from Paris suggesting that Coast Guards or a Naval Brigade might be sent,² I have received no reply. I have also received no final reply to my suggestion that a Special Force of British subjects should be recruited.³ In these circumstances I have no option but to set up the best system of control I can with the means available, and for this purpose I shall make use of such German Customs officials as consent to come and of the 20 British Customs officials who arrived in Cologne on April 6th and who will supervise them. I am also recruiting suitable German personnel, who will act as auxiliaries to the Customs Officers, and some British subjects for the same purpose. It must be remembered, however, that the German Customs officials will probably not be over zealous in carrying out a penalty imposed upon their own country and they will have many opportunities for fraud.

The British Commander-in-Chief has found it possible to spare 55 N.C.O.'s and men for the Control Posts as distinct from the Customs Posts. As the duties of those men will be divided into eight hour shifts, it means that there will never be more than 17 on duty at a time on the whole British perimeter.

I need hardly point out to Your Lordship that these arrangements are little short of ridiculous, but I have no alternative and must decline all responsibility for the result. It is obvious that the Customs Officials, in view of their wholly inadequate numbers, will for the present only be able to make a perfunctory examination of a few cars on the trains at the frontier stations but that any proper system of Customs examination will be lacking for some considerable time until an adequate staff can be built up. It is at present only intended to establish customs examination on the railways, leaving the roads to be dealt with later, possibly by the 10th of May. By this time the situation in England may have cleared sufficiently to enable His Majesty's Government to return to General Morland the four Battalions that have been taken from him,⁴ in which case he will no doubt be able to spare the extra troops

¹ See No. 507.² No. 489.

³ No. 482, and see also No. 486. In his telegram No. 39 of April 23, referring to this despatch, Lord Curzon stated: 'Volunteer force of 150 men is being organised by War Office. Every endeavour will be made to expedite arrangements, which are complicated by financial difficulties.'

⁴ See No. 11. The reference is to the coal strike which began at midnight on March 31 and necessitated the return of four battalions to deal with the emergency.

required for the Control Posts. In the meanwhile it has been suggested to me that placards with collecting boxes might be erected at the cross-roads. On the placards would run the legend 'England expects every German to pay his Duty'. I cannot conceal from Your Lordship that I am seriously concerned as to the effect on our prestige of the whole regime. We shall no doubt be able to interfere with trade between the Occupied and Unoccupied Territories to some extent, but with the means at present at my disposal I am afraid that either complete chaos will supervene on the frontier or that the whole 'Sanction' will prove a farce, at least for some time.

The Press announces that the French and Belgians intend to proceed to the occupation of the Ruhr on May 2. In this event the whole position will fundamentally change, and I trust that I may receive authentic information from Your Lordship and instructions as to the course that I am to pursue, instructions which in the case of the present 'Sanction' have been almost wholly lacking, with the result that I have had to rely upon my French and Belgian colleagues who are in close touch with their respective Governments.

I have, &c.,

ARNOLD ROBERTSON

No. 513

The French Ambassador to Earl Curzon (Received April 18)

[C 8047/2740/18]

FRENCH EMBASSY, LONDON, *April 18, 1921*

M. Briand a suivi avec la plus vive sympathie les efforts du Gouvernement britannique pour conjurer les menaces de grève générale et a invité l'Ambassadeur de France à Londres à féliciter très cordialement M. Lloyd George des résultats obtenus.

Le Gouvernement français est particulièrement heureux de voir écartée la crise générale qui menaçait la vie économique du Royaume Uni. M. Briand estime, en effet, que les Gouvernements alliés vont se trouver amenés à sortir des formules dilatoires et des tentatives fragmentaires pour le règlement des Réparations et à arrêter en commun les méthodes de paiement à adopter à l'égard de l'Allemagne.

Le Gouvernement français a étudié cette question d'une manière approfondie et il désire soumettre les conclusions de ces travaux à ses alliés et tout d'abord à M. Lloyd George qui a toujours donné son plus loyal appui à la France quant à la nécessité des Réparations.

M. Briand a donc invité l'Ambassadeur de France à Londres, à demander à M. Lloyd George si celui-ci n'estime pas le moment venu de causer avant le 1er Mai pour s'entendre avec le Premier Ministre français sur les solutions nécessaires.¹

¹ According to Mr. Lloyd George's statement to the Cabinet on April 19, M. de St. Aulaire had given, the previous day, a verbal message from M. Briand asking for a personal meeting at either Folkestone or Boulogne instead of a formal conference. This meeting was arranged

to take place at Lymgne on April 23 and 24 (see Vol. XV, Chap. III). In view of the evidence before the Cabinet that France was apparently determined to take drastic action, Mr. Lloyd George stated his policy for the forthcoming meeting as follows: that, in the event of Germany's not making an offer of the Paris terms or their equivalent, British consent to the occupation of the Ruhr should be conditional upon (1) a clear undertaking that the occupation should be temporary and should not lead to the dismemberment or permanent occupation of German territory; (2) acceptance of the Paris Proposals as a maximum demand on Germany in respect of reparation; (3) acceptance by the French Government of any genuine offer by Germany to supply materials for the restoration of the devastated areas in France.

No. 514

The Reparation Commission to the Kriegslastenkommission¹

[C 8331/2740/18]

April 18, 1921

The Reparation Commission has informed the Kriegslastenkommission by letter No. 13/184, dated the 24th March 1921,² that it considers that the German Government has definitely refused to comply with the general demands which the Commission has formulated with regard to the execution of the provisions of Article 235 of the Treaty of Versailles.

The Reparation Commission considers that this definite refusal necessitates the more drastic exercise of the rights which it possesses over the property and possessions of the Empire and the German States. Without prejudice therefore to any measures which the Allied and Associated Governments may take in this matter, the Commission has the honour to inform the Kriegslastenkommission that it has decided, as a security and guarantee for the execution of the obligations of the German Government with regard to reparation, to demand that the German Government should forthwith, not later than the 1st May 1921, transfer to the Branch Offices of the Reichsbank at Cologne or at Coblenz, the whole of the Reichsbank's metallic reserve.

This reserve may still figure on the balance sheet of the Reichsbank, but the German Government must not dispose of any part of it without the prior authorisation of the Reparation Commission.

Should the German Government refuse to comply with this demand, the Reparation Commission will be forced to require in virtue of the powers which it holds under Article 235 of the Treaty of Peace, that the metal reserve of the Reichsbank be handed over immediately.

It is in order to avoid, if possible, the consequences which such delivery might entail, that the Reparation Commission has decided to limit its present request to the transfer of the metal reserve in question to the Branch Offices of the Reichsbank at Cologne or at Coblenz.

¹ This document was communicated by the Treasury to the Foreign Office, where it was received on April 23.

² Not printed. For text of this letter and previous correspondence see G. Calmette, *La Question des Réparations*, pp. 450 ff.

The Reparation Commission will wait until the 22nd of April for the Kriegslastenkommission to reply to the present letter.³

DUBOIS
JOHN BRADBURY

³ Sir W. Tyrell minuted: 'I think that some arrangement sh[oul]d be arrived at in Paris under which our Reparation Commissioner should communicate to our Embassy any such decisions as the present one.'

Lord Curzon added: 'But surely the question is much bigger than that and it is an intolerable thing that M. Dubois and Sir John Bradbury on their own account and without informing H.M.G. should issue such an ultimatum on their own responsibility. When General Nollet did the same thing [see Nos. 560 and 562] we intervened sharply and I brought the case before the Conference at Paris and got it stopped. Are the financiers to be at liberty to do what was forbidden to the soldiers? Find out what the Treasury think. C. 23/4.'

No. 515

Lord Hardinge (Paris) to Earl Curzon (Received April 20)

No. 212 Telegraphic: by bag [C 7995/2740/18]

PARIS, April 19, 1921

Rumours that new German proposals regarding Reparation will be addressed to U.S. Government, and recent pronouncements by President Harding¹ have created feeling here that while France must if necessary act alone after May 1st, it is most desirable in devising settlement of reparation problem to secure close co-operation of the U.S. as the latter alone are in a position to ensure rapid capitalisation of German debt. Line generally taken is that of course France will never be left in the lurch by U.S., but there is nevertheless some anxiety lest President Harding should negotiate with Germany a new truncated version of Treaty of Versailles without previous agreement with the Allies on all its clauses; and suggestion is put forward that in order to ensure complete co-ordination of U.S. and Allied policy, U.S. Representatives should be invited to attend forthcoming Supreme Council. It is, however, interesting to note that no reference is made to possibility of new American administration claiming for United States a share in reparation payments, which would entail revision of percentages for distribution among Allies elaborated prior to Spa Conference.²

¹ See, for example, the President's message to Congress of April 12, printed in *F.R.U.S.*, 1921, vol. i, pp. vii-xx.

² See No. 504, n. 3.

No. 516

Lord Hardinge (Paris) to Earl Curzon (Received April 20, 10.15 a.m.)

No. 213 Telegraphic: by bag [C 7996/2740/18]

PARIS, April 19, 1921

My telegram No. 207 of April 16.¹

Discussions between military and economic experts regarding scheme for exploiting the riches of the Ruhr continue (it is now generally taken for granted that occupation of the district after May 1 is a certainty); and though great efforts are made to keep proceedings secret, sufficient information has leaked out to indicate that the immense practical difficulties involved are now thoroughly realised. Experts are said to be divided between those who advise absolute stoppage of all coal deliveries from the Ruhr to the rest of Germany as a means of constraint, and those who urge that this policy would react to Allies' disadvantage (as Germans would certainly reduce output by withdrawing engineers, foremen, etc., from the mines) and insist that entire co-operation of local employers and employees is essential.

As French Government are certain to produce a complete scheme for exploitation of Ruhr at next Supreme Council, Your Lordship will doubtless consider desirability of our military and economic experts being ready with any counter-arguments which His Majesty's Government may wish to use in course of discussion.

As regards military effectives required for the operation, idea is now put about that calling up of one class (that of 1919) for three months will suffice. Socialists are starting a campaign to rouse working men against 'impending mobilisation,' but all indications show that they will have little success as wave of popular fury against Germany is carrying all before it.

Certain papers urge that at so grave a moment it is of utmost importance Germans should not be encouraged by any signs of disunion among the Allies and therefore 'serious exchange of views between the Chanceries' *prior to* meeting of Conference is most desirable.

¹ Not printed.

No. 517

Letter from Lord D'Abernon (Berlin) to Sir E. Crowe (Received April 26)

[C 8538/2740/18]

Private and Confidential

BERLIN, April 19, 1921

My dear Crowe,

I have not written much lately as there has been nothing of a confidential nature and of outstanding interest to record.

For a week after he came back¹ I left Simons rather deliberately alone, as I knew he was having great difficulties with his colleagues, and there was

¹ See No. 487, n. 2.

no sense in pressing him to communicate a plan which did not exist. Even now there is nothing like agreement and I rather fear that the history of the days before the London Conference will be repeated and that the Germans will dispute and be divided until the very last minute.

Simons is, I believe, what he appears to be—namely—a sincere man of a somewhat pedantic juridical mind. He does not really understand figures and is thus at a considerable disadvantage with his colleagues. He is generally respected here but he is kept in place, not so much because they think he will conduct negotiations with success, as because they have nobody else to suggest. Of the alternatives Rosen² is the man most spoken of, but his claims are not urged with any great enthusiasm. Müller³ is also spoken of, and Brockdorff-Rantzau,⁴ but both are in many regards inferior to Simons.

The Germans undoubtedly hoped a great deal from America, and still hope.

Of the many schemes they are discussing, the most interesting are:—

- (1) Allied participation in German industry;
- (2) Substitution of Germany for the whole or part of the Allied debt to America;
- (3) German deliveries in kind (doors, windows, etc.) for the devastated regions.

It is difficult to gauge exactly how far existing Sanctions and the threat of further Sanctions stimulate them to effort. There is a considerable section that has either turned sour or turned up the struggle, and is inclined to say 'Let France do her worst; nothing can make our plight worse than it already is, and our enemies will do themselves as much harm as they will do us.' Of course the better minds see the folly of such reasoning, but, as I think I wrote before, the re-action from the Sanctions is not the healthy re-action of a generous and frank nature, so there is no good in expecting the results which would occur if it was.

The Italian Ambassador,⁵ who has just returned here from Rome, and who is pretty intimate in German circles, is frankly pessimistic as to any satisfactory solution on Reparations. He is also frankly hostile to any further Sanctions. He tells me Giolitti⁶ is ready to support any English action of a restraining character, and would prefer to give us a blank cheque to do anything that we like to keep France within moderate limits, rather than have to sign a definite cheque on each specific occasion.

Yours very sincerely,
D'A.

² A German orientalist who after holding several diplomatic appointments became in August 1917 German Minister at The Hague.

³ A leading member of the Majority Socialist Party.

⁴ Formerly President of the German delegation to the Peace Conference at Versailles.

⁵ i.e. Signor Frassati.

⁶ Italian President of the Council and Minister of the Interior.

*Memorandum by Mr. Wigram on the State of Execution of the Vital Clauses
of the Treaty of Versailles*

[C 8181/2262/18]

FOREIGN OFFICE, *April 19, 1921*

A decision as to whether or not we should support France in fresh coercive measures against Germany is imminent. It is essential that, whatever decision is taken, there should be a clear understanding as to the manner in which Germany has executed those vital clauses of the Treaty, the fulfilment of which depends upon her co-operation. There is a tendency to find in the German failure to execute these clauses to the letter general evidence of German bad faith, and to argue that further coercive measures are necessary to safeguard those vital principles which underlie the treaty: the punishment of war criminals, reparation for war damages and such disarmament of Germany as to remove the danger of a new German war of aggression.

2. The facts are as follows:—

War Criminals. Whilst none of the forty-five cases specified in the Allied Note of May, 1920,¹ have [sic] yet been tried before the Leipzig Court, it is necessary to remember that the German Government can plead that certain of the persons named in that Note are not now within their jurisdiction, and that, in the remainder of the British cases at least, His Majesty's Attorney-General pointed out as recently as March 14th, 1921, that the trials could not be expected to begin until the evidence was complete.

3. *Reparation.* The vital reparation clauses may be said to be those which provide for

- (a) the deliveries of merchant shipping, live-stock and material for the devastated areas; coal; dye-stuffs and chemicals (Article 236 and Annexes III–VI of the Reparation clauses).
- (b) the delivery of the 20 milliards of gold marks by May 1st, 1921 (Article 235) and
- (c) the notification by the Reparation Commission to the German Government on May 1st, 1921, of the total German debt and the presentation to the German Government by the Reparation Commission of a schedule of payments for the same (Article 233).

(a) The shipping deliveries were practically complete by September, 1920; nor has there been cause for complaint in regard to the deliveries of dye-stuffs and chemicals. Those instalments of the live-stock deliveries due by April, 1920, (Paragraph 6 of Annex IV) were still incomplete at the end of last year. On the other hand a satisfactory agreement for the remainder of these deliveries (Paragraph 4 of Annex IV) was concluded on December 3rd, 1920.² In deliveries of material there have been delays traceable in part

¹ Printed as document No. 124 in Cmd. 1325 of 1921; see also Vol. IX, No. 657.

² Not printed.

to Germany, but Sir John Bradbury, commenting on the whole position in November, 1920, pointed out that whilst it had clearly been the German policy to create an impression of good faith by the expenditure of the minimum of effort, there was much to support the contention by Germany that she was in these matters doing her best to discharge her obligations.

The coal deliveries up to the time of the Spa Conference were far below the quantities stipulated in the Treaty—8½ millions of tons as against 36 millions. On the other hand the Spa agreement³ was on the whole loyally executed, arrears of only 600,000 tons accumulating out of a total demand of 12 million tons. These arrears together with those—amounting to about one million tons out of a total demand of some 4½ millions—which have accumulated during the last two months, were largely due to difficulties of transport and recently also to the disturbed labour situation in the Ruhr.

(b) There is a clear breach of the treaty in the failure to deliver the 20 milliards of gold marks, or their equivalent, due by May 1st, 1921, under Article 235. The Reparation Commission estimate that deliveries to the value of 8 milliards only have so far been made. On the other hand it would be interesting to have an independent opinion from the Brussels experts or from Sir John Bradbury himself as to the *practical* possibility of the complete execution of this Article by the Treaty date.

(c) As the notification of the total German debt and the presentation to Germany of a schedule of payments for liquidating this debt does not, under Article 233, fall due until May 1st, 1921, we have at present no means of estimating the German co-operation in this Article of the Treaty.

It has been claimed indeed that the German refusal of the Paris proposals⁴ is tantamount to a refusal to meet her liabilities under this Article. It is well to recall:

(1) The acceptance by Dr. Simons at London of the Paris proposals for the first five years running from May 1st, 1921.⁴ This acceptance, under the influence of the nationalist feeling created in Germany by the application of the sanctions, has since been withdrawn, but it is difficult to believe that it would not again mature in the more favourable atmosphere of a general attempt at compromise.

(2) that if the Germans could be induced to return to their last London offer they would be separated from the Allies only upon the schedule of payments after the first five years. This schedule the Germans stated at London they were prepared to discuss at once.

(3) that whilst the German capacity to pay has received careful and extensive consideration both at Brussels and in the Reparation Commission, the question of how Germany is to pay, (i.e. to transfer payment beyond her frontiers) has scarcely as yet been discussed at all.

4. *Disarmament.* Beyond a few minor technical points there was general agreement at the Paris Conference that the vital naval and aeronautical clauses of the Treaty had been executed.

The War Office stated clearly at the same time that by the reduction of the

³ Printed as No. 194 in Cmd. 1325 (see n. 1).

⁴ See No. 464.

German army to 100,000 men, by the abolition of the short-service army and of conscription, and by the surrender of large masses of war material, the vital military clauses of the treaty, in so far as they aimed at averting a present German military menace, might be said to have been executed. There were still unexecuted those vital clauses which provided for the disbandment and disarmament of the Einwohnerwehr and of the self-defence associations, and for the delivery of certain surplus war material, but these clauses were designed to prevent the reconstruction of German military strength in the future. The question of their execution—the War Office have pointed out—is essentially one for compromise, and it is evident that in the calmer and stabler atmosphere of compromise, insistence upon their execution would be more easy.⁵

5. To sum up, if we hold her to the letter of her bond, Germany is in default. If we judge her according to the spirit of the treaty, whose aim was not to destroy Germany, but, in the interests of a peaceful settlement of Europe, to ensure her disarmament and the payment of reparation, it is difficult, except upon the theory that Germany must pose and act as a repentant sinner, to establish a charge of bad faith. It is even more difficult to avoid the conclusion that if His Majesty's Government were ready and able to return to the policy which they pursued with such success until the last Paris conference, the spirit of the treaty itself could still be completely executed. Compromise would in itself do much to correct, what has been the great obstacle to the complete execution of the treaty, the weakness of the German Government.

R. F. WIGRAM

⁵ See Vol. X, No. 312, and Chap. IV, below.

No. 519

Earl Curzon to Lord D'Abernon (Berlin)

No. 79 Telegraphic [C 7990/2740/18]

Very urgent

FOREIGN OFFICE, *April 20, 1921, 1.45 p.m.*

Your private telegram of April 18th and your telegram No. 142 (of April 18th).¹

Only chance of successful negotiation and avoidance of further sanctions appears to me to be an acceptance of the Paris resolutions by the German Government as basis of discussion. The responsibility for making reserves must rest with them and I should not like to give any advice that might be unacceptable to our allies, or be thought by them to be going behind their backs. If German Government can be persuaded to act in above sense the sooner they do so the better, for there is not much time to spare.

¹ Nos. 511 and 510 respectively.

No. 520

Lord D'Abernon (Berlin) to Earl Curzon (Received April 21, 10 a.m.)
No. 146 Telegraphic [C 8105/2740/18]

BERLIN, April 20, 1921, 8 p.m.

At meeting of Reichstag Committee on Foreign Affairs this morning it was decided that attempted negotiations through neutral intermediaries should be abandoned and that direct proposals should be made to the Entente.

What these proposals should be does not however appear to have been decided—great diversity of opinion being shown between different parties. Some Socialist members advocated acceptance of Paris basis but it is doubtful if this will be accepted. Informant who is Socialist was pessimistic and resigned. This indeed is the general tone.

No. 521

Memorandum by Mr. Wigram on the Report of the Reparation Commission (Berlin Intelligence Service), entitled 'Economic aspect of Reparation Problem'
[C 7970/386/18]

FOREIGN OFFICE, April 20, 1921

1. This report deals with what is, after all, the vital aspect of reparations—the question of how Germany is to transfer the large sums demanded beyond her own frontiers.

2. This aspect of the reparations question was not touched by the Brussels experts, who examined only the capacity of Germany to pay reparations. It has never been *publicly* considered by the Reparation Commission. We now know, however, that it has *twice* been *privately* considered, (1) the report now forwarded by Lord D'Abernon and (2) in June 1920 when some branch of the Reparation Commission prepared for the Spa Conference a report which examined both the German capacity to pay and the means of payment, (i.e. the possibilities of transferring the reparation payments beyond the German frontiers.)² The Spa report—like the present report—was never presented and was most carefully suppressed, presumably by the French. In view of the present report it is significant that the Spa report estimated Germany's capacity to pay at some 3½ milliards gold marks, (? 7 milliards present gold values) but stated that 'taking a very optimistic view of Germany, it would not be possible for her in the immediate future to create an export surplus of more than 2 to 2½ milliards of gold marks' (? 4 to 5 milliards present gold values).'

¹ This report was transmitted by Lord D'Abernon in his despatch No. 560 of April 12. Lord D'Abernon explained: 'This Report was prepared about the time of the London Conference, but when sent to Paris was considered so unfavourable to the French and Belgian view on the reparation question that it was immediately suppressed—all copies previously issued being recalled. I understand that the French and Belgian officials who took part in drawing up the Report have been severely censured for giving expression to such inconvenient views.'

² This report has not been traced in the Foreign Office archives.

3. The present report may be very briefly summarized as follows:—

(a) Germany can only pay reparations by exporting goods in excess of her imports.

(b) Pre-war Germany, like the pre-war United Kingdom, had a visible surplus of imports over exports, which surplus, like the United Kingdom, she purchased by means of the services of her merchant fleet and of the securities which she held abroad.

(c) Her merchant fleet and foreign securities are lost; her output is diminished; but none the less it is within the bounds of possibility that post-war Germany might, by the exercise of the strictest economy, still create an export surplus.

(d) If Upper Silesia remained German, this export surplus might amount *in time, but not within the immediate future*, to some 5 milliards of gold marks, (present gold values).³

(e) Such a vast alteration of the German trade balance would, however, have incalculable consequences on the distribution of world trade; and it must be remembered that the principal Allies also are debtors to America, just as Germany is to them, and that whilst these Allies do not want German exports (i.e. manufactured goods) themselves, they do want to create export surpluses in that very world market, which Germany must flood if she is to pay reparations on the scale demanded.

4. These are conclusions of far reaching importance—pessimistic, as Lord D'Abernon points out—but conclusions, which, in the main, can with difficulty be disputed. They have been deliberately suppressed by a body of experts, who were expressly appointed to consider the means by which Germany could pay reparations no less than her capacity to do so. These conclusions have clearly been suppressed for political ends. What hope can there be of a satisfactory settlement of an economic and financial problem of this importance, which is considered on lines such as these?⁴

R. F. WIGRAM

³ A marginal note read: 'Paris proposals:

2 milliards	2 yrs
3 milliards	3 yrs
4 milliards	3 yrs
5 milliards	3 yrs
6 milliards	3½ yrs

 + 12½ [%] of export tax.'

⁴ In a minute of April 21 Mr. Waterlow commented:

'The Cabinet have decided with certain reservations to support a French occupation of the Ruhr morally, if not physically. It is, I believe, failure clearly to realise the fact that Germany cannot pay (in the only sense of the word that matters) that, more than any other factor, tends to obscure the dangers of the decision now taken. Perhaps if economic realities were more clearly understood, the objections to a breach with France might seem relatively less formidable.

'For one thing, the whole argument that it is important to preserve a united front in the face of German *mala fides* would lose nearly all its force. For, even if the picture of Germany unrepentant, dishonest and sensitive to nothing but compulsion were still believed to be the whole truth, it would be seen to be irrelevant to the real situation. Given the utter weakness of the German Government, and the fact that it is bound to lean on the right and on the industrial[?sts] (a tendency which further force must accentuate), it is impossible to believe that compulsion will produce payment.'

Lord D'Abernon (Berlin) to Earl Curzon (Received April 22, 11.25 a.m.)
No. 147 Telegraphic [C 8265/2740/18]

BERLIN, April 21, 1921, 8 p.m.

On receipt of Your Lordship's telegram No. 79¹ I saw Minister for Foreign Affairs and conveyed to him Your Lordship's views almost textually.

Minister for Foreign Affairs said 'If I had had my way you would have received our counter proposals a fortnight ago but everything has been against me and I have not been able to pursue negotiations in the manner I desired. Fact is that Germany in her present circumstances cannot be (? convinced of) her (? present) . . . s.² It is necessary for Minister charged with Foreign Affairs to have either great authority or to possess fullest confidence of his colleagues and country. But to possess this confidence one has to have great success and no success is possible under Treaty of Versailles. People here do not understand that treaty was dictated from victor to vanquished so that (? every) new clause with which they become acquainted as it is brought into operation impresses them with a painful surprise and they attribute fault to present Ministers. Moreover if one does not feed Press every day with (? erroneous) news it becomes furious and then there are indiscretions to counteract and innumerable party interests to conciliate. However since you insist that it is of such urgency to receive German proposals soon and is [*sic*] possible before meeting of Prime Minister[s] at Hythe³ I will do my utmost to communicate them to you by Friday or Saturday.⁴

'I have discussed possibility of accepting Paris basis with several independent economic authorities: they are all of the opinion that . . .² (? decision)s cannot be executed. I will not violate my conscience by accepting conditions which I do not believe can be carried out.

'I have also consulted leaders of political parties not now included in the Government in order to ascertain whether if I resigned, as there are obviously special difficulties for me, they would subscribe to those (? terms). They have told me that they would not. I repeat however that I will give you our counter proposals at the earliest moment.'

I urged upon Doctor Simons that it was of the utmost importance from every point of view that German proposals when formulated should constitute an acceptable basis for discussion. If they were not of such a nature there seemed to be no hope of avoiding immediate application of further sanctions and the occupation of Ruhr.

¹ No. 519.

² The text is here uncertain.

³ At Lympne, near Hythe, on April 23-24.

⁴ i.e. by April 22 or 23.

Memorandum by Mr. Wigram on the Occupation of the Ruhr
[C 8191/2740/18]

FOREIGN OFFICE, April 21, 1921

The occupation of the Ruhr is intended to bring pressure to bear upon Germany to compel her to complete the execution of those articles of the treaty, and particularly the reparation clauses, which are believed to be vital to the peace of Europe.

2. These unexecuted clauses comprise the payment by May 1, 1921, of the unpaid 12 milliards of the first instalment of the 20 milliards gold marks; the acceptance by Germany of the schedule of reparation payments to be notified by the Reparation Commission on May 1, 1921; the delivery of the arrears of the allied coal demands; the suppression of the Einwohnerwehr;¹ and the punishment of the war criminals.

Of these clauses it is doubtful whether it is possible for the Germans to pay the 20 milliards gold marks by May 1, 1921. Even if the Germans accept the Paris proposals it may prove to be impossible for them to fulfil them. Further coal deliveries are not to our interest. It is not clear that the Germans are, since the Spa agreement, in default on the war criminals question. In the present uncertainty, suppression of the Einwohnerwehr may prove to be impossible.

For these nebulous aims, we are compelled in the interests of allied solidarity to engage in an adventure, whose consequences are incalculable, and from which no one can foretell the issue.

3. The plan of occupation, as far as can at present be gleaned from the press, is to surround the Ruhr, the south-east corner of Westphalia and the Elberfeld and Barmen districts with a ring of troops; to extend the Rhine customs barrier round the eastern and northern boundaries of this highly-developed and thickly populated industrial district, containing a population of some 3 to 4 millions, and producing in 1920 a coal output of some 87 million tons; to levy a tax on the coal and industrial output; and to devote the proceeds of this taxation and of the new customs barrier to the reparation account.

4. What are the probable effects of this action? We have no reliable information; and even our representatives on the spot have never been able to indicate these effects clearly. But the following consequences seem probable.

(a) The Ruhr coal mines and industries will, with difficulty, maintain contact with their financial centre at Berlin, and with a large part of their normal markets and sources of supply in unoccupied Germany. After a time, and upon a very optimistic estimate, they may find new markets and sources of supply in the west. But this will create in French hands in Lower Westphalia, the Rhineland and Lorraine a new coal and manufacturing centre, which will be little to the advantage of British interests in Western Europe.

¹ See Chap. IV, *passim*.

(b) German post-war development will receive a set-back corresponding in intensity to the severity of the military and fiscal measures applied. The result will be a corresponding postponement in the reconstruction of Central Europe and probably of Russia also, and a corresponding set-back to the recovery of British trade.

(c) More reparation coal will, we may suppose, be available for France and Belgium to sell in British pre-war markets; and, owing to the shortage of coal in Germany, a fresh impetus will be given to the German lignite output with further eventual loss of pre-war markets to British coal.

(d) German resistance to the sanction may result in total refusal of coal supplies to unoccupied Germany, with the result of a general closing down of German industry, general unemployment and new coup d'état either from the right or the left. This would react disastrously all over Europe.

(e) The allies will saddle themselves with the responsibility of feeding a further 3 to 4 millions of Germans with a strong labour element. This population will have to be fed in the event of unoccupied Germany refusing it's [*sic*] assistance, or in the event of a general strike. The effect in practice upon labour opinion here of Marshal Foch's suggestion that, if Ruhr coal is not forthcoming, the Ruhr miners will be correspondingly short of food,² is not a matter to trifle with.

5. If the Germans do not come forward with a satisfactory offer before May 1, it seems in the highest degree improbable that the punitive measures now under consideration will produce anything that will satisfy French needs. In that case we shall have suffered considerable injuries ourselves without being nearer a settlement, and with no compensation but the theoretical maintenance of the alliance.

² See Vol. VIII, No. 71, p. 600.

No. 524

Lord D'Abernon (Berlin) to Earl Curzon (Received April 23, 9.25 a.m.)

No. 151 Telegraphic [C 8286/2740/18]

BERLIN, April 22, 1921, 5.45 p.m.

French and Belgian representatives here have received instructions and have asked me to join with them in official protest to German Government against supporting German officials in occupied territory who are inclined to refuse service on Rhine frontier.

They have drafted a note which declares that their Governments have serious reason to believe that these derelictions of duty have not been entirely spontaneous and have been encouraged by German commissary Von Starck.¹ Note draws the serious attention of German Government to its

¹ See Chap. IV, No. 592, below. Herr von Starck was the German Commissioner attached to the Inter-Allied Rhineland High Commission for the Occupied Territories.

responsibilities in this matter, which, outside individual sanctions against officials, may lead allied Governments to a rigorous application of measures in force and to their possible aggravation.

I have not received any instructions from Your Lordship on this subject and shall only take action on receipt of them.

Repeated to Coblenz.

No. 525

Lord Hardinge (Paris) to Earl Curzon (Received April 23, 8.45 a.m.)

No. 223 Telegraphic [C 8283/2740/18]

Very urgent

PARIS, April 22, 1921, 10.50 p.m.

Your telegram No. 193 of April 22nd.¹

Demand for transfer of gold reserve of Reichsbank.

Following is statement given to me by Mr. A. McFadyean² acting on behalf of Sir J. Bradbury who is not available.

'The report is correct. The demand was made by a letter of 18th instant of which a copy was sent to Treasury on 20th instant, addressed by Commission to Kriegslastenkommission.³ The letter in question sets out the reason on which demand is based. A copy of letter should have been sent to Embassy on 20th and omission will be rectified tomorrow.

'I was in London on 18th instant and informed Sir Basil Blackett⁴ of action which Commission intended to take, explaining its genesis and possible consequences.'

Ends.

¹ This telegram ran: 'Please ascertain immediately from Sir J. Bradbury truth of press report that Reparation Commission have demanded of German Government transfer of gold reserve of Reichsbank to unoccupied [*sic*] territory, and, if report is correct, telegraph summary of Reparation Commission's note, and reasons advanced for their action.'

² A member of the British delegation to the Reparation Commission.

³ See No. 514.

⁴ Controller of Finance in H.M. Treasury.

No. 526

Mr. Ryan (Coblenz) to Earl Curzon (Received April 23, 4.20 p.m.)

No. 53 Telegraphic [C 8351/2740/18]

COBLENZ, April 23, 1921, 1 p.m.

Berlin telegram with reference to protest to German Government.¹

My Belgian colleague informs me that he has not requested his Government to protest to German Government against supporting German officials in occupied territory in their refusal to serve on Rhine frontiers but merely

¹ The reference is to No. 524.

suggested that German Government should be warned of consequences should German officials not cooperate. He is wiring his Government accordingly.

Since introduction of customs régime German officials have been co-operating satisfactorily with us. It appears unnecessary to make any protest at present moment to German Government.² According to an article which appeared yesterday in the 'Frankfurter Zeitung' German Government is acquiescing in co-operation of its officials in new customs régime.

Addressed to Foreign Office, sent to Berlin.

² On April 27 Sir W. Tyrrell commented: 'I quite agree: there are too many protests & representations flying about as it is.'

No. 527

Sir C. Eliot (Tokyo) to Earl Curzon (Received April 25, 10.30 a.m.)

No. 147 Telegraphic [C 8385/2740/18]

Confidential

TOKYO, April 23, 1921, 1.10 p.m.

French Ambassador informed me that under instructions from his Government he yesterday urged on Japanese Minister for Foreign Affairs importance of united action in all matters concerning German reparations and warned him against suggestions of German agents that Japan should take a line of her own since her interests are not quite the same as those of the other Allies.

He said that though German Ambassador is too clever to make such suggestions himself there are a great number of German agents now in Tokio who endeavour to influence smaller officials. I also have reason to believe that number of such agents is considerable.

No. 528

The German Ambassador to Earl Curzon (Received April 25)

No. A. 1082 [C 8488/2740/18]

GERMAN EMBASSY, LONDON, April 23, 1921

Your Excellency,

Acting on the instructions of my Government, I have the honour to communicate the following to you.

The German Government has answered the demand of the Reparation Commission¹ for the transfer of the gold reserve of the Reichsbank and its branches to Cologne or Coblenz in a note² in which it points out the legal and economic grounds which forbid acquiescence in this demand.

¹ See No. 514.

² A translation of this note, which had appeared in the German press, was communicated to the Foreign Office by Lord D'Abernon in his despatch No. 644 of April 25, not printed.

As proof of goodwill the German Government declares itself ready, however, to recognise the validity of Article 248 of the Treaty of Versailles until the 1st October 1921.

STHAMER

No. 529

Lord D'Abernon (Berlin) to Earl Curzon (Received April 28)

No. 625 [C 8730/2740/18]

BERLIN, April 23, 1921

My Lord,

In view of the new situation which will be created if America takes part in the discussion of the Reparation question, it may be desirable to discuss the possible developments to which this new situation might give rise.

I have the honour to forward to Your Lordship a Memorandum which I drew up before the London Conference on the subject of possible transfers of debt between America, the Allies and Germany. This Memorandum discusses possible solutions and gives the principal figures so far as they are in my possession.

If His Majesty's Government have considered the question, and have formulated any definite policy, or if the Treasury have prepared any Memoranda on the subject, I should be glad if Your Lordship would cause me to be informed.

I have, &c.,
D'ABERNON

ENCLOSURE IN NO. 529

Memorandum by Lord D'Abernon on American Substitution

Following a suggestion in the 'Augsburger Postzeitung' that Germany should take over the liabilities of the Allies towards America and towards each other, in exchange for cancellation of her reparation obligations, the following scheme has been worked out.

The figures have been taken from the table on page 254 of Keynes' book.¹ They are thus somewhat out of date; moreover, as it is not stated how much of the debts to U.S.A. and Great Britain are expressed in dollars, sterling or continental currencies converted at par, it is impossible to say how far Keynes' £s are £s sterling or £s gold. The figures are thus only a general indication, and would require further examination before being used for an actual operative scheme; and it would depend on this whether Germany should undertake any of the post-armistice or post-Treaty external debt or not.

¹ J. M. Keynes, *The Economic Consequences of the Peace* (London, 1919).

Excluding Russia's debt, the external debt position is as follows:—

	<i>millions</i>		<i>millions</i>
<i>U.S.A.</i>		<i>France</i>	
is owed net. . . .	£1,852	owes net	£863
		(i.e. owes £1,058	
		& is owed £195)	
<i>England</i>		<i>Italy</i> owes net	£827
is owed net. . . .	£330	<i>Belgium</i> owes net	£268
(i.e. is owed £1,172		<i>Other Allies</i> owe net	£224
& owes £842)			
	<u>£2,182</u>		<u>£2,182</u>

Thus, if a third party (Germany) guaranteed £2,182 millions (in round figures say £2,200 millions) this amount would suffice to clear off all net inter-allied indebtedness.

The two creditor countries would receive what is owed to them from abroad (excluding the Russian debt): the debtor countries would be relieved of their external debt. Both sets of countries would thus be left with that part of their war expenditure which they raised internally.

Part of this internal expenditure should and could be borne by Germany, in addition to the transfer to Germany of the net external debt burden. For the Paris fixed annuities capitalise at £4,200 millions (at 5%), whereas the net external debt of the Allies only comes to £2,200 millions.

It is accordingly suggested that Germany should pay a further £2,000 millions towards internal war expenses for which she is liable under the Treaty, plus the exports tax of 12%. The total burden on Germany would thus be £4,200 millions, plus exports tax—i.e. the same as the Paris Agreement. But whereas the Paris agreement would involve Germany in the certainty of having to pay £4,200 millions, plus exports tax, the proposed modification would make the £4,200 millions only a contingent charge, which would be reduced or alleviated if the U.S.A. were to forego or postpone or otherwise alleviate the burden of her creditor claims on Europe.

The following Table suggests how this £4,200 millions might be apportioned among the Allies. It also shows what each Ally would get out of the fixed annuities of the Paris Agreement, according to the Spa percentages.

In addition to the amounts shown in the 'Total' column, each country would receive its quota (according to the Spa percentages) of the product of the 12% export tax.

The above Table shows that the scheme would not involve any large sacrifices, except on the part of England. But it is attractive from our point of view in that it saves us the process of having to collect debts to £1,100 millions from continental allies in order to pay our debt of £800 millions to America.

If it is assumed that we could recover our debts from the continent at 20/- in the £ we should get from the above scheme £325 millions less than what we should get under the fixed annuities of the Paris Agreement. If, on the other hand, it is assumed that we could recover from the continent only

10/- in the £ we should get £225 millions more. To take the extreme case, the hypothesis that we could recover from the continent nothing, we should get £775 millions more.

TABLE

Proposed scheme				<i>Paris agreement (fixed annuities only)</i>
	Under debt guarantee by Germany	Out of the £2,000 millions for internal war expenses	Total	
	millions	millions	millions	
<i>U.S.A.</i> would receive.	Nil	Nil	Nil	Nil
<i>England</i> would receive.	Nil (but see next para)			
	£860	£600	£600	£925
<i>France</i> would receive.	£860	£1,340	£2,200	£2,200
<i>Italy</i> would receive.	£820	Nil	£820	£550
<i>Belgium</i> would receive.	£270	£70	£340	£340
<i>Other allies</i> would receive.	£225	Nil	£225	£210

It must further be remembered that the above comparison treats the fixed annuities to be paid under the Paris Agreement as a certainty. In point of fact it appears doubtful whether the later annuities—35 to 40 years hence—would be paid or could be exacted.

The proposed scheme is thus a good deal solidier than the Paris Agreement, and might well be defended from the British point of view (even though it might involve some loss to Great Britain) on this ground, as well as on the ground that it appears to make for peace and economic recovery generally far more than the Paris scheme. For the same reasons, the proposed scheme should be more acceptable than the Paris scheme to those countries for whom the new scheme and the Paris scheme are in terms of money equivalent.

Germany probably would be very well advised to sign an agreement on these lines: it would give her a good fighting chance of alleviating the reparation burden, in so far as she could persuade America to forego or postpone or otherwise alleviate the debt of nearly £2,000 millions which Europe owes to her. On the extreme case, that this debt were to be entirely forgiven, Germany would escape at under £2,500 millions, plus the exports tax, or not much more than the Keynes' figure.

In any case, there are large advantages in bringing America (the ultimate creditor) and Germany (the ultimate debtor) face to face in the way which the scheme would affect [*sic*].

It is suggested that the prior consent of America would not be required. The present debtors would remain indebted to America, but the actual payments required under those obligations would be guaranteed by Germany. America would thus be in the privileged position of drawing payments from Germany, according to her own view of the blend of reparation and philanthropy which the situation requires.

Sir G. Grahame (Brussels) to Earl Curzon (Received April 24, 10 p.m.)

No. 82 Telegraphic [C 8357/2740/18]

Confidential

BRUSSELS, April 24, 1921, 5.35 p.m.

Minister[s] for Foreign Affairs and Finance conferred all day yesterday with Monsieur Loucheur. I have had a conversation with Minister for Foreign Affairs this morning and enquired his impressions of plan unfolded by Monsieur Loucheur.¹ Whatever the real views of Belgian Ministers may be of French proposals, they evidently think that there is no use in resisting them. Monsieur Loucheur, no doubt, made them appear as palatable as possible.

Monsieur Jaspar will tell you that he is convinced that only course of safety is for England and Belgium to participate in the French action. If they do so, although they may be able to moderate it now, they would be in a position later on, if Germany gives in, to put pressure on France to terminate the exceptional measures. He considers British participation a matter of 'European interest'.

One of the newspapers states that Monsieur Loucheur mentioned to an interviewer that France would ask Belgium for eighty engineers to co-operate with French officials to control Ruhr industry. I told Monsieur Jaspar that this seemed to be significant and reminded him that France had on various occasions tried to place Belgium in a more intimate relation to her than her other Allies. I said that if the Belgian Government were not careful they would be manoeuvred by French Government into partnership 'à deux' which he had always told me that he dreaded. I asked whether Loucheur had not appeared in Brussels in character of 'the tempter.' Monsieur Jaspar admitted that Monsieur Loucheur had spoken of need for eighty Belgian engineers but he assured me most emphatically that he was alive to danger which I had mentioned and that Belgian Government would be on their guard. He said that he took some credit to himself for having warded off this danger in the past. Had Belgian foreign affairs been in other hands than his, it might easily have happened that Franco-Belgian partnership would have been in full swing already. I reminded Monsieur Jaspar of previous conversations in which we had agreed that, in certain quarters in France, action against Germany in respect of reparations was a cloak for political designs which were checked during peace negotiations. He said that Messrs. Briand and Loucheur were not obsessed by such designs but he would not say the same of Monsieur Berthelot, Marshal Foch, etc. who remembered the position of France in Europe under Louis XIV and Napoleon.

¹ This presumably was the plan contained in M. Loucheur's Memorandum of April 21, not printed, a translation of which was received in the Foreign Office on April 30 (see below, No. 537, n. 1).

No. 531

Earl Curzon to Sir G. Buchanan (Rome) and Sir G. Grahame (Brussels)

No. 150¹ Telegraphic [C 8411/2740/18]

Very urgent

FOREIGN OFFICE, *April 24, 1921, 8.45 p.m.*

An early meeting of the Supreme Council is urgently necessary. It has been decided to call a meeting on April 30th in London.² Please inform the Government to which you are accredited and express the earnest hope that their representatives may be able to reach London by that date.

In the event of the present strike³ terminating before that date, the Prime Minister might find it possible to leave England and the meeting would then take place in Paris. This, however, is highly improbable.

Repeated to Berlin No. 82 and Paris No. 198.

¹ No. 150 to Rome and No. 64 to Brussels.

² The decision was taken by M. Briand and Mr. Lloyd George at Lympe; see Vol. XV, Chap. III.

³ See No. 512, n. 4.

No. 532

Lord Hardinge (Paris) to Earl Curzon (Received April 25)¹

No. 227 Telegraphic: by bag [C 8382/2740/18]

PARIS, *April 24, 1921*

Despite studious efforts of press to maintain tone of greatest courtesy towards United States generally and President Harding personally, there can be no doubt American reply to German request for arbitration in reparation question has come as a severe blow to French public opinion;² and in conversation in Governmental and Parliamentary circles bitter resentment is openly expressed. It is felt that Germans have now succeeded at the eleventh hour in attaining the very object towards which all their efforts have been directed—a loophole by which to escape from drastic Allied measures just on the point of execution. German proposal for reconstruction in devastated regions is curtly dismissed as a scheme for German colonisation of Northern France. There is keen apprehension, as in early days of March, lest Monsieur Briand may not press French point of view on Prime Minister with sufficient vigour. In brief, public opinion is so much worked up to determination to occupy the Ruhr, no matter what offers Germany may make through United States, that any hitch in the scheme will provoke keenest disappointment.³

¹ The time of receipt is not recorded.

² For the texts of the German Memorandum of April 20 and of the American reply of April 21, see *F.R.U.S.*, vol. ii, pp. 41, 43–45. Both texts were transmitted to Lord Curzon by Sir A. Geddes in his telegram No. 253 of April 21, not printed.

³ Sir W. Tyrrell minuted on April 25: 'The Republican business men want settlement in Europe in order to get back their money & France is becoming very suspect in America on account of her chauvinism.'

No. 533

Sir A. Geddes (Washington) to Earl Curzon (Received April 26, 11.35 a.m.)
No. 263 Telegraphic [C 8545/2740/18]

WASHINGTON, April 25, 1921¹

My immediately preceding telegram.²

Since receiving text of German reparations proposals I have seen Secretary of State, who informs me that his desire is to help the Allies exclusively.

He is anxious to know if it would be agreeable to His Majesty's Government if he were to transmit German proposals to them, and he has informally asked me to let him know if I am prepared to receive them. Have replied to the effect that I cannot answer until I have had time for consideration but that it would appear to me that if on examination they are found by him not to contain a proper basis for discussion it would be better that I should not be asked by him to receive them.

Secretary of State is very anxious not to do anything likely to cause difficulty for the Allies, and will, I have no doubt, be entirely guided by His Majesty's Government in the matter.

I await instructions, which I hope will be sent at the earliest possible moment.³

¹ The time of despatch of this telegram is not recorded.

² No. 262 of April 25, not printed. This telegram transmitted the text of the German reparation proposals. For this text, see *F.R.U.S.*, op. cit., pp. 46-48, and for subsequent correction of this text see p. 53.

³ See *F.R.U.S.*, op. cit., pp. 48-50.

No. 534

Lord D'Abernon (Berlin) to Earl Curzon (Received April 25, 2.50 p.m.)
No. 162 Telegraphic [C 8487/2740/18]

Confidential

BERLIN, April 25, 1921, 1.50 p.m.

German note¹ was delivered to American representative tonight² at 9. After wavering for some time German Government requested American Commission to keep it confidential for some days.³ I understand that note is fairly detailed and leaves door open for further suggestions. One source states that it makes considerable approach towards Paris basis. There appears to have been great divergence of opinion between different sections regarding text. Majority Socialists are said to have demanded further concessions.

Minister for Foreign Affairs is stated to have offered his resignation tonight feeling that he had lost confidence of Reichstag.

Please repeat immediately Lympne and regard as strictly confidential.

¹ See No. 533, n. 2.

² This telegram was drafted on April 24.

³ See *F.R.U.S.*, op. cit., p. 45.

No. 535

Sir A. Geddes (Washington) to Earl Curzon (Received April 26, 12.15 p.m.)

No. 264 Telegraphic [C 8587/2740/18]

My two preceding telegrams.²

WASHINGTON, April 25, 1921¹

I received the text of German proposals informally from State Department, in part from Secretary of State and in part from Under-Secretary of State.³

I saw Secretary first alone, then withdrew to consult with my French colleague, who had not seen him, and then saw Secretary again in company with M. Jusserand.

Mr. Hughes is very anxious to be helpful in this matter, and spoke very plainly to French Ambassador, saying that he hoped the psychological moment for securing maximum reparation payments from Germany would not be missed. He expressed his confidence that France did not desire to destroy Germany. He added he was not in a position to judge whether psychological moment had arrived, but hinted that, if it were agreeable to Allies, America might join with them in an expert economic commission to determine amounts Germany should pay and has paid.

Throughout his remarks Mr. Hughes insisted on his sole desire to help the Allies.

I have little doubt that if His Majesty's Government and French Government wish anything in reason definitely conveyed to Germany, Mr. Hughes can be persuaded to convey it without apparent reference to Allies, but taking advantage of this opening afforded by the penultimate paragraph of German note.

Mr. Hughes is now, in my opinion, in such a position at home that it will be very weakening to him and damaging to the Administration if interchange of notes simply lapses without some result. Sentiment of American public appears to be in favour of strong action by their Government, and is not inclined to support any effort to secure easy terms for Germany.³

¹ The time of despatch of this telegram is not recorded.

² See No. 533 and No. 533, n. 2.

³ See *F.R.U.S.*, op. cit., pp. 48-50.

³ In his telegram No. 234 of April 27 Lord Curzon replied: 'His Majesty's Government welcome helpful attitude of United States Government, and will send detailed reply as soon as Cabinet has considered proposals and come to a decision.'

No. 536

Lord D'Abernon (Berlin) to Earl Curzon (Received April 25, 4.35 p.m.)

No. 163 Telegraphic [C 8490/2740/18]

BERLIN, April 25, 1921, 2 p.m.

Following seems to be fair account of yesterday's proceedings.

It should be read with reserve appropriate to secret information.

After interminable discussion Cabinet had prepared two drafts. These

were submitted to some party leaders notably to representatives of Majority Socialists whose support was specially desirable. Socialists advised fusion of the two drafts and demanded numerous alterations mainly in direction of closer approach to Paris terms. Some of their alterations were accepted, others were refused. At end of a long discussion fused draft was so scoured with red and blue pencil and so cut about that no one had much idea what had been decided. But Ministers were prostrate with fatigue and left whole of draft to secretary who got something off to America before midnight.

What precisely it was both we and they will probably learn in the course of the day as party leaders discuss situation this morning and Minister for Foreign Affairs speaks in Reichstag at 3.

Public know nothing of his resignation which may or may not be accepted. He is half dead from nervous strain and cannot sleep.

No. 537

*Memorandum by Mr. Wigram on the draft French proposals presented at
Lymþne,¹ April 24, 1921*
[C 8632/2740/18]

FOREIGN OFFICE, April 25, 1921

A. Viewed from the standpoint of reparations, the French proposals for the economic exploitation of the Ruhr appear to be as follows:

1. The establishment of an inter-allied coal commission at Essen: and the imposition of the following taxes upon coal:

- a. 40 gold marks per ton produced in Ruhr
- b. 10 " " consumed "
- c. 10 " " exported to Rhineland
- d. 20 " " " unoccupied Germany.
- e. reparation coal deliveries free of export tax but (?) liable to production tax.
- f. establishment of a levy similar to (a) on all German coal import and production: and of a levy of 8 gold marks on lignite production.

2. The imposition of the following restrictions upon general merchandise exported from and imported into the Ruhr:—

- a. payment of the sale price of all Ruhr exports to banks under allied control (50% of these payments going to reparation and 50% to a Ruhr food fund).
- b. duty on imports from Germany of 25% of German tariff payable in gold marks; and on imports from Rhineland equal to German tariff payable in paper marks.

¹ See No. 531, n. 2. These proposals were set out in a memorandum by M. Berthelot which is printed in Vol. XV, No. 71, Appendix 2. They were based on a memorandum of April 21 by M. Loucheur, a translation of which was communicated to the Foreign Office by the Cabinet Secretariat on April 30. For a summary of these proposals see below, No. 542.

- c. export duty equal to German tariff payable in foreign bills drawn on Germany.
 - d. utilization of Ruhr factories as far as possible for reconstruction purposes.
3. Collection of the German customs on a gold basis under allied control and for allied benefit.
4. Establishment of a (?) German control office of foreign bills of exchange, which will issue:—
- a. export licenses against delivery of corresponding bills of exchange, paying exporter in paper marks and
 - b. import licenses, issuing necessary bills (?) presumably in return for paper marks.
- This office will maintain such a surplus of bills as will enable it to deliver 25 % of the bills to the allies.
5. As German trade cannot immediately bear the above measures, the immediate adoption of the following temporary measures.
- a. the issue of a loan secured by the German customs under allied control.
 - b. the payment as follows of the balance of the 12 milliards due under art. 235.
 - 1. delivery of the gold reserve of the Reichsbank e.g. $1\frac{1}{4}$ milliards.
 - 2. allied participation in German business share capital to extent of 30%:—expected yield 7 milliards.
 - 3. requisition of foreign securities held by German nationals: expected yield $3\frac{3}{4}$ milliards.
 - c. immediate reduction of German note and paper issue.

B. These proposals in brief amount to:

- (1) The exploitation of the coal and industrial resources of the Ruhr.
- (2) The complete encirclement of the Ruhr with a new customs barrier.
- (3) Seizure of the German customs as a means:
 - (a) of obtaining payment of reparation, and
 - (b) estimating the value of German exports and imports.
- (4) Seizure of one-quarter of the foreign bills of exchange drawn on Germany.

C. It is unnecessary at the moment to criticise these proposals in detail or to argue whether they are intended to be cumulative, or in some cases to be inclusive one of another. They are, in any case, only a draft, the final text of which we shall receive within the next two days.

D. We are concerned only with:

- (1) their practicability, and
 - (2) their efficacy as a means of bringing pressure to bear upon Germany.
- When the matter is considered at the Cabinet, which I understand will be

to-morrow,² Lord Curzon might think it desirable to move that an inter-departmental committee should be appointed to report to him as to:³

- (1) The maximum taxation, etc., which it is possible to impose upon Ruhr coal and industry without ruining the Ruhr itself.
- (2) The practicability and probable results of the establishment of a new customs barrier around the Ruhr.
- (3) The practicability, in the event of German non-co-operation, of allied seizure of the German customs.
- (4) The effects of the seizure of 25% of the foreign bills of exchange due against German exports.
- (5) Whether, in the event of some or any of those measures being considered practicable, their effect is likely to be such as, within a short time, to overcome German opposition, or, (in the event of failure to do so) to produce a reasonable sum for reparation.⁴

² At a Cabinet Meeting on April 26 a committee composed of Mr. Montagu, Sir L. Worthington Evans, Sir Alfred Mond, and Mr. R. B. Howarth (Secretary) was appointed to consider, in consultation with experts, the proposals made by the German Government to the United States. The committee was also authorized to see M. Loucheur and M. Jaspar, both of whom were in London.

³ A marginal note adds: 'or, in view of the pressure of time, to set up the committee at once'.

⁴ In a note to his Memorandum Mr. Wigram suggested that Captain Georgi, a coal expert of the Rhineland Commission, should be summoned to London. Foreign Office telegram No. 40 of April 26 requested Colonel Ryan at Coblenz to 'instruct Captain Georgi to proceed to London immediately with all available documents'.

No. 538

Earl Curzon to Lord D'Abernon (Berlin)

*No. 83 Telegraphic [C 8601/2740/18]**

FOREIGN OFFICE, *April 26, 1921, 7.45 p.m.*

Your telegram No. 165 of 26th April: German note.¹

We find difficulty in understanding exact meaning of paragraph 1 of German proposals. Over what period are annuities totalling 200 milliards to be spread and what rate of discount is taken in arriving at present value of 50 milliards?

As regards paragraph 3, are we right in taking 4 per cent. as proposed rate of amortisation? If so, what rate of interest does Germany propose to pay on portion of capital at any time unamortised?

Answer required for Cabinet, Wednesday morning.²

¹ Not printed. In this telegram Lord D'Abernon transmitted the text of the German reparation proposals. See No. 533, n. 2.

² i.e. April 27.

Lord D'Abernon (Berlin) to Earl Curzon (Received April 27, 10.20 p.m.)
No. 168 Telegraphic [C 8672/2740/18]

Very urgent

BERLIN, April 27, 1921, 4.30 p.m.

On receiving your Lordship's telegram No. 83,¹ I at once saw Minister for Foreign Affairs and some of the German experts, but their answers are not very clear.

As regards paragraph 1, they contemplate that annuities of 200 milliards would spread over a period of between sixty and eighty years. They appear to have totally abandoned view that the forty-second year was too long, and now hold that as Germany cannot ever pay an annual amount of 6 milliards, it is necessary to extend period, thus reducing annual amount to a figure within limit of attainment. As regards your Lordship's question, 'What rate of discount is taken in arriving at present level of 50 milliards?' they were not able to give a clear answer, but will reply later. In answer to my question why figure of 50 milliards was inserted, they said: 'If we had assumed obligation of 200 milliards without giving present value, payments might have been extended over, not 60 or 80 years, but 200 years, and that would be absurd.' I transmit above answer as given to me, but I do not profess to understand precisely what they mean.

As regards paragraph 3, 4 per cent. is proposed rate of interest, not proposed rate of amortisation. Rate of amortisation is to depend on Germany's varying capacity.

Minister for Foreign Affairs confessed his inability to answer some of my questions, saying he had not adequate technical knowledge. He repeated several times that scheme was merely a sketch, that it was result of a compromise and that compromises are apt to be inconsistent, but in his judgment whole proposal was governed by clause which follows article 12, under which commission of recognised experts agreeable to all parties concerned would give decisions on difficult points, such decisions being accepted by Germany as binding.

I gathered that he considers this clause as dominating the whole document.

At close of interview I asked whether clause 9 meant that amounts already paid as reparation should be deducted from present value of figure of 50 milliards. Minister for Foreign Affairs replied: 'That point would also have to be decided by commission of experts. That is one of the fundamental differences between present proposal and London. In London we demanded as a condition that deduction should be made; now we leave question open.'

I asked Simons to have prepared for me clear statement showing how present proposal compared both with Paris decisions and with his original offer in London. This will be done this afternoon.

¹ No. 538.

Lord D'Abernon (Berlin) to Earl Curzon (Received April 28, 9.20 a.m.)

No. 170 Telegraphic [C 8702/2740/18]

BERLIN, April 27, 1921, 11 p.m.

German counter proposals of April 24th¹ give rise to following observations:

German offer, though in some particulars obscure and in my judgment inconsistent would seem considerable improvement on German offer in London in that it proposes milliard gold marks cash or 50 millions within three months, in that total of present value is raised though precise amount of increase is uncertain, in that Germany declares her readiness to pay in annuities a sum totalling 50 milliards gold marks or 10 milliard pounds.

Unsatisfactory features of offer are

1. Statement of present value at (? 50) milliards. It is a mere figure of calculation governed by arbitrary assumption as to rate of interest and might have been omitted.

2. Omission to fix minimum figure for International loan. High figure is now spoken of here.

3. Omission to fix minimum annuities and to give specific guarantees.

It is to be noted that no mention is made of suggested participation in German industry.

It is also to be noted that on German estimate of a maximum annual payment of between 2 and 3 milliards the obligation will not be paid off under (? 80) years.

In closing paragraphs it is worthy of notice that Germany agrees not only to accept any changes of form which United States Government may suggest but also to readily receive any other proposals United States Government may be inclined to make, also that she binds herself to accept ruling of a suggested commission of experts on all doubtful points. This declaration may be read as governing the whole memorandum.

It may be expedient to discuss what changes of form and substance are requisite to make German proposals a possible basis of negotiations.

Following suggestions are provisional: Article 1 as drafted appears to me inconsistent and incomprehensible.

Elimination of all mention of present value. Increase of sum mentioned in second sentence as total liability from 200 milliards to 226 milliards (i.e. Paris level).

Article 2 giving a minimum figure of 10 milliards gold marks for minimum of loan to be issued. This loan to be issued as soon as financial circumstances permit either as a whole or in instalments.

Articles 3 and 4 indicate clearly total amount of liability on which interest will be paid. This must be a capital sum and not 'present value'. Idea of interest on a present value is absurd.

¹ See No. 533, n. 2.

Article 5 appears satisfactory.

Article 6 satisfactory but explanation of meaning of 'on a purely commercial basis'.

Article 7 very important and satisfactory.

Article 8 worth consideration if America agrees. This proposal has gained increased importance since Viviani's visit to America and his declarations regarding France's liability.²

Article 9 indicative of composition of commission of experts. There can be no valid objection to impartial estimate of value of deliveries. It is to be observed that too low valuations hamper and restrict delivery of reparation material.

Reparation has suffered from this in the past.

State clearly past deliveries are not included.

Article 10 make more precise.

Indicate specific revenue.

Articles 11 and 12 no observations—since it is assumed that Upper Silesia settlement is imminent.³

General observations:—

50 million pounds gold and acknowledgment of total debt of 10 milliard pounds gold to be paid in annuities is an offer which has never been approached in history of the world. One must have lost all sense of meaning of figures not to be impressed with immensity of obligations assumed. Considered on financial grounds alone it would appear unwise to refuse to examine proposals with care and impartiality in order to ascertain whether guarantees and modalities of payment are such or can be made such as to render them an acceptable solution.⁴

² See No. 501, n. 4, and No. 470, n. 8.

³ See Chap. I.

⁴ Upon Lord D'Abernon's suggestion the Foreign Office repeated this telegram to Washington on April 29, as No. 241.

No. 541

Memorandum by Mr. Thelwall¹ on certain aspects of the French memorandum communicated by M. Briand at Lympe, April 24, 1921²

[C 8852/2740/18]

BERLIN, April 27, 1921

I. The following remarks are made in spite of the fact that there can be no doubt that Germany has attempted to evade many provisions of the Treaty of Peace, and the reparations question as a whole. While I am of opinion that she should be punished for this attitude, I wish to endeavour to show in the following that the infliction of further economic penalties upon her at the present time will injure England to an almost equal extent.

II. With regard to the French memorandum as a whole, it is evident that

¹ See No. 480, n. 1.

² Printed in Vol. XV, No. 71, Appendix 2. (See No. 537, n. 1.)

it goes far beyond the mere occupation of the Ruhr; it amounts, in fact, to a complete control of Germany's industry and of her foreign trade.

The war, and the period succeeding it, have proved sufficiently that the commerce and industry of a country find it difficult to maintain their normal activities when they are hampered by Government or other control imposed from outside, even when the country submits to such control willingly. In the present case the régime proposed by the French would have to be carried out in face of active and passive resistance on the part of the Germans, and would therefore be extremely difficult and expensive to apply, and would, as usual in such cases, probably produce very little revenue.

III. The tax of from 40 to 60 gold marks per ton on all coal, whether native or imported, used by Germany would practically kill German export, as it would raise the cost of manufacture in Germany above that of other countries: as German goods have, in addition, to pay import duties in practically all countries of the world, they would cease to be saleable. Apart from the fact that this state of affairs would probably reduce Germany into a state approaching anarchy, it must be remembered that if she cannot sell she cannot buy, and the acute distress now prevailing in England, which is largely due to the loss of Germany as a customer, would be aggravated.

IV. However, even if Germany were able to bear the increase in the cost of her coal, and were able to continue a certain amount of export, the French memorandum proposes to confiscate 25% of the payments due before such export.

In order to carry out this measure as well as others contained in the memorandum, it would be necessary to organize a complete control of the German customs frontier, not only in the occupied territories, but also on the Dutch, Swiss and eastern frontiers and in the ports. It may be safely assumed that the Germans would not only not assist in the carrying out of this measure, but would oppose it in every way, and it would therefore require a very considerable force to effect the necessary policing of the long stretches of country involved; in addition, a large number of skilled German-speaking customs officials would be required, and it seems certain that the Allies could not provide a sufficient number of such men.

V. With regard to the confiscation of foreign monies due to Germany for her exports, it must be remembered that the loss of these sums means a corresponding decrease in Germany's purchasing power, and that this decrease hits England harder than anybody else.

It is admitted that the very serious plight in which England now finds herself is in a large measure due to the collapse of the Central European markets, of which Germany is the chief; it is upon Germany, too, that most of the Continental countries depend, and they will not revive until she does. It is equally certain that the proposals put forward at Lympe must of necessity strike a severe blow at German industry and German exports, and will therefore minimise any chances which still exist for an alleviation of the general distress in England by resumption of Continental trade.

The sanctions already imposed have shown the harm which is done to

England by interference with Anglo-German trade. At the time of the London Conference there were distinct signs of a revival of business between this country and Germany; if this business had been able to develop it would have helped our merchants and manufacturers in the present difficult period, but the announcement of the sanctions immediately put a stop to all negotiations and led to a withdrawal of German money from England. I know of one bank alone in the City which was asked by its German customers to transfer £1,000,000 to Holland within a week.³

The new proposals would of course be much more drastic in their effect. If Germany's export is still further reduced, and if, in addition, she is deprived of one-quarter of the price for such export, she will no longer be able to buy Australian wheat (her purchases of the latter in London have recently amounted to over £4,000,000). This would on the one hand harm Australia, and on the other get Germany into difficulties with her bread supply; she will no longer be a customer for the enormous stocks of wool held here and in the Colonies, for which there is no other outlet; there will be no hope of selling her the hides lying in England, vast quantities of which were purchased at 2/od. and are now unsaleable elsewhere at 8d; England is burdened with the world's production for one year of nitrate of soda, and the only prospect of disposing of these stocks is to Germany.

VI. These few examples serve to show how vital to England a healthy German market is. The scheme proposed at Lympe, which is intended to remain in operation for several years, would in effect amount rather to annexation and dismemberment than to reparation, and would therefore, by depriving England for an indefinite period of Germany as a customer, bring the former still nearer to commercial and financial ruin. It is, however, neither necessary nor expedient to cripple the two leading industrial countries of Europe in order to satisfy the demands of France. These can be met much more fully by keeping Germany alive and well.

VII. In my opinion the acceptance, with sufficient guarantees, of the proposals now put forward by the Germans, coupled with as few restrictions as possible on trade between the Allies and Germany, would benefit both France and England infinitely more than any scheme of economic coercion.

J. F. THELWALL

³ See No. 462, n. 2.

No. 542

Memorandum by Mr. Wigram on French proposals for occupation of the Ruhr and for payment of reparations

[C 10644/2740/18]

FOREIGN OFFICE, April 27, 1921

Monsieur Loucheur explained his proposals¹ to Sir B. Blackett at the Treasury this afternoon. Representatives of the Mines Dept., Customs and

¹ See No. 537, n. 1.

Foreign Office were present. The proposals, which were not presented in writing, may be summarized as follows:—

1. Military occupation of the Ruhr accompanied by establishment of a customs cordon around the Ruhr and allied control of the Ruhr coal output as a means (whilst obtaining some ready money) of forcing the Germans to accept the allied reparation demands and to complete the execution of the treaty.

2. Upon a German offer to this effect being forthcoming, the military occupation to cease and the customs barrier to be lowered: but the allies to continue control of the Ruhr coal output, to establish control of the whole of the German customs and to supervise the control of German foreign trade, as a financial and economic, instead of a military and territorial, pledge for the execution of the treaty.

3. During this second period, as a means of payment of reparation, a loan to be issued (as a temporary measure) on the security of the German customs: and, in addition to German participation in the reconstruction of the devastated areas and allied participation in the share capital of German industry, a payment of 30 or 40 gold marks to be made to the allies for each ton of coal produced or imported into Germany (coal being the index of German prosperity.) Payment to be made in part by means of a levy on German foreign exchange.

The present arrangement is that these proposals will be further explained by the various French experts to the corresponding British experts in the course of Thursday morning:² there will be a further meeting between M. Loucheur and Sir B. Blackett on Thursday afternoon: and Sir B. Blackett will then, with the aid of the departments concerned, draw up a memorandum for the Cabinet on Friday morning.

² i.e. April 28.

No. 543

Mr. A. McFadyean (Paris) to Earl Curzon (Received April 30)

No. B.R. 315/21 [C 8827/297/18]

Sir,

REPARATION COMMISSION, PARIS, *April 28, 1921*

I am directed by the British Delegate to the Reparation Commission to acknowledge the receipt of Mr. Tufton's letter of the 11th instant¹ No. C 6312/297/18 on the subject of the deliveries of coal by Germany under Annex 5 to Part VIII of the Treaty of Versailles, and to make the following reply to Earl Curzon of Kedleston's request for an expression of Sir John Bradbury's opinion on the possibility of a smaller monthly quota of coal being demanded in the future by the Commission.

In the first place, I am to state, for Lord Curzon's information, that the Commission has recently drawn up a programme of deliveries of reparation

¹ Not printed.

coal by Germany at the rate of 2,200,000 tons per month for May, June and July next, in other words, at the same rate as that imposed during February, March and April of the present year, but without making a specific demand in respect of the very large deficit of coal deliveries which has accumulated. In this respect I am to observe that the deficit in the deliveries to be made under the Spa Coal Protocol² amounted to 685,812 tons. The quantity of coal demanded from Germany for the months of February and March was 2,200,000 tons plus 250,000 tons towards making up the above deficit. The actual quantities delivered were in February 1,765,095 tons and in March 1,521,677 tons. The quantity demanded in April was 2,200,000 tons plus 100,000 tons in respect of arrears.

On the 13th instant the Reparation Commission addressed a strong remonstrance to the German Government, a copy of which I enclose,³ urging that immediate measures be taken for the execution of the schedules of deliveries notified to it.

In the situation indicated above, it is clear that it is not possible to anticipate, for some time at any rate, an alteration in the Reparation Commission's policy involving a reduction in the demands for coal to be made on Germany. I am further to state that Sir John Bradbury understands confidentially that in continuing to press for deliveries of coal at the rates indicated above, the Delegates of the Allied Powers receiving reparation coal are partly influenced by the desire to be in a position to strike a bargain with the German Government for securing superior qualities of coal in consideration of a reduction in the amount of arrears to be actually exacted. So long as this motive is present a reduction in the demands made should not be looked for. It would, of course, be a matter of the utmost delicacy for the British Delegate to make any move in the direction of suggesting to the Commission any abatement of coal deliveries to be demanded from Germany, and I am to attach, in this connection, copies of correspondence which passed between this Delegation and the Mines Department in January last.³

With reference to the penultimate paragraph of my letter of the 27th January included in that correspondence, Lord Curzon may be interested to see the enclosed table shewing the increase during 1920 in the productivity of the French mines destroyed by Germany in the Nord and the Pas de Calais, with the corresponding decrease in the quantity of reparation coal for which France has priority under paragraphs 2 and 10 of Annex V.³ It will be seen that the net production of these mines for last January was approximately double that for January 1920. Their 1913 production is still, however, so far from being attained that the effect of their resumption of productivity on the general situation is at present almost negligible and can scarcely be of importance for a considerable period of time to come.

Copies of this letter have been communicated to the Treasury, to His Majesty's Embassy, Paris, and to the Mines Department.

I am, &c.,

ANDREW MCFADYEAN

² See Vol. VIII, No. 77, n. 3.

³ Not printed.

*Memorandum by Mr. Wigram on the position of Sir John Bradbury on the
Reparation Commission*

[C 9289/2740/18]

FOREIGN OFFICE, April 29, 1921

1. The Treaty lays down (in Paragraphs 7 and 21 of Annex II to the Reparation clauses) that whilst the Reparation Commission can 'take all executive steps necessary to discharge its duties, no member of the Commission shall be responsible except to the Government appointing him'. Sir John Bradbury is therefore clearly responsible to H.M. Government. The Department to which he is responsible is the Treasury (see Treasury memorandum of February 2nd, 1920).¹

2. In the case of the demand for the surrender of the Reichsbank gold² (to which Lord Curzon has called attention) the Treasury say that no specific instructions were issued to Sir John Bradbury but that Sir B. Blackett knew that the Note was to be sent and had seen the draft.

3. The note in question is not a new or a single example of action by the Reparation Commission—involving wide questions of general foreign policy—to which Sir John Bradbury has consented (usually no doubt with the knowledge of the Treasury) without any official intimation of the proposed action being conveyed to the Secretary of State for Foreign Affairs. Numerous similar examples could be found during the last year: for example, the correspondence regarding the payment of the 20 milliards, the notification to the German Government regarding default in the coal deliveries, fixation of the coal deliveries, negotiations regarding the live-stock deliveries.³ No information as to what was taking place on any of these matters has ever reached the Foreign Office until the decisions have been taken and, as often as not, until the decisions have been in operation for some days and even weeks.

All these matters, it may be argued, are primarily financial matters with which the Commission is fully competent to deal, but, as was foreseen in the Treasury minute of February 2nd, 1920, questions of general foreign policy have in fact arisen out of them, upon which the Foreign Office and not the Treasury should have had the deciding voice. In the few cases in which Sir John Bradbury has sent the Foreign Office direct copies of notes despatched by the Reparation Commission, the copies have reached us too late to be of any practical use. We have often been compelled to rely entirely on the minutes of the Commission, an advance copy of which reaches London some ten or fourteen days after the date of the discussion to which the minutes refer. Replies to requests for information addressed by the Foreign Office to Sir John Bradbury have almost invariably been long delayed. At the moment we have for some three weeks been awaiting Sir John Bradbury's opinion on two matters of the first importance—the propriety of approaching the

¹ Not printed.

² See No. 514.

³ See No. 518, paragraph 3.

French with regard to the diminution of the German coal deliveries, and the actual state of the negotiations between the French and Germans with regard to the reconstruction of the devastated areas.

4. Continuance of the present procedure involves dangers quite as great, and indeed much greater, than those caused by the recent ill-judged action of the Military Commission of Control.⁴ Sir John Bradbury and Sir B. Blackett are no doubt skilled financial experts, but they have not the knowledge of the general political situation which is, and can only be, at the command of the Foreign Office.

5. The result of the present procedure has been to play into the hands of the French, who, with a French Chairman of the Commission and with the Commission sitting in Paris, have steadily and successfully profited by Sir John Bradbury's complete ignorance of general policy, and by the free hand which has been allowed him on matters which, though primarily financial, often have far-reaching political effects.

6. In order to bring to an end the present anomalous position, perhaps Lord Curzon would think it desirable to ask the Chancellor of the Exchequer to issue immediate and categorical instructions to Sir John Bradbury (whilst he is in London this week-end) that:

(1) he is to communicate a copy of the minutes of each meeting of the Reparation Commission to Lord Hardinge on the day of the meeting of the Commission in order that Lord Hardinge may send to London by bag a summary of these minutes, just as he does in the case of the minutes of the Ambassadors' Conference.

(2) that he is not to consent to the despatch by the Reparation Commission of any note whatever to the German Government or to any other foreign government without, in the first place, consulting Lord Hardinge, if necessary obtaining through Lord Hardinge the approval of the S. of State.⁵

R. F. WIGRAM

⁴ See No. 560, below.

⁵ A letter, dated May 7, not printed, embodying the substance of this memorandum, was sent by Lord Curzon to Sir R. Horne.

No. 545

Lord Kilbarnock (Berlin) to Earl Curzon (Received April 30, 10.45 a.m.)
No. 179 Telegraphic [C 8868/2740/18]

Very confidential

BERLIN, April 29, 1921, 8.20 p.m.

Monsieur Haguenin French representative on Berlin branch of Reparations Commission has informed American Commissioner that in spite of all personal influence which he has endeavoured to exercise he fears nothing will now stop French Government from occupying Ruhr. He has always been opposed to this step and does not believe that in view of necessity for

Ruhr coal to compete in world markets that revenue of more than one billion¹ gold marks annually can be obtained by Allies from this source. He considers that, to regard occupation of Ruhr as a guarantee is an illusion. It is quite possible that operation may force Germans to agree to almost anything but he points out that unless it is intended to prolong occupation until Germany has carried out her full obligations it will sooner or later be necessary to accept Germany's word; temporary occupation will not therefore afford any real guarantee for future.

He considers only chance of avoiding occupation is for United States Government to advise German Government immediately to offer 226 billions¹ instead of 200 billions¹ proposed in their memorandum: to drop all reserves (*sic*, ? reservations) such as that which appears to refer to Upper Silesia: and to fix reasonable rate of interest for international loan so that France may have prospect of receiving large sum of ready money immediately.

American Commissioner is telegraphing above to his Government. Monsieur Haguenin particularly requests that his name may not be mentioned in this connection.

¹ On May 2 Mr. Tufton instructed Lord Kilmarnock to employ the word *milliard*, as the English billion signified not one thousand millions (as in American and French usage) but a million millions.

No. 546

Memorandum by Mr. Wigram on the Reparation Commission and Article 233

[C 9290/2740/18]

FOREIGN OFFICE, April 30, 1921

The above cutting¹ is of interest in connection with the right of Sir John Bradbury to take action independently of the Secretary of State for Foreign Affairs on questions involving political consequences, to which attention was drawn in a memorandum submitted last evening.²

¹ This cutting from the *Temps* of April 29 ran as follows:

'L'état des paiements de l'Allemagne

'La commission des réparations, siégeant en séance plénière, sous la présidence de M. Louis Dubois, a commencé ce matin — le montant de la dette allemande au titre des réparations étant fixé à 132 milliards de marks or — à examiner les diverses questions que pose l'établissement, prévu au 4^e alinéa de l'article 233 du traité, d' "un état de paiements, en prévoyant les époques et les modalités de l'acquittement par l'Allemagne de sa dette dans une période de 30 ans à dater du 1^{er} mai 1921".

'M. von Cœrtzen, chef de la Kriegslastenkommission, avait été convoqué pour être entendu au sujet de l'application de cette disposition du traité de Versailles. Le représentant de l'Allemagne s'est excusé, exposant, dans une lettre adressée à la commission des réparations, qu'eu égard aux circonstances présentes il ne croyait pas devoir répondre à la convocation.'

² No. 544.

We are about to be committed—and probably have already been committed by now—to the fixation of a whole scale of annuities by the Reparation Commission acting under article 233, for paying off the total German debt (132 milliards gold marks) without the slightest intimation of what scale was contemplated—or of what was being done towards fixing it—being sent to the Foreign Office.

The only way in which we hear of the action of the commission, is by a member of the Paris Embassy staff, sending privately a cutting from the 'Temps', because he realizes that 'Sir John Bradbury never seems to understand that it is of the slightest interest to the Foreign Office to learn of important events till days after their occurrence'.

The publication of a scale of annuities, fixed by the Reparation Commission (probably on a scale higher than that fixed at Paris) will certainly not make the French any easier to deal with—and, if it were not now probably already too late, perhaps the Treasury might be asked to telegraph to Sir John Bradbury or his deputy in Paris today telling him he is to consent to the fixation of no scale of annuities without consulting the Secretary of State for Foreign Affairs.³

R. F. WIGRAM

³ Lord Curzon concurred with this suggestion.

No. 547

Sir R. Graham (The Hague) to Earl Curzon (Received May 2, 2.45 p.m.)
No. 53 Telegraphic [C 8997/2740/18]

THE HAGUE, May 2, 1921, 12.35 p.m.

United States Minister¹ tells me that Netherlands Minister for Foreign Affairs has sent for him and begged him earnestly to urge intervention of his Government in order to bring about a settlement between Allies and Germany especially to prevent a French occupation of Ruhr, which would, in Monsieur de Karnebeek's opinion be very prejudicial to Dutch interests.

I gather that His Excellency is chiefly exercised over political effect of occupation in Germany and reaction that might be felt here.

¹ Mr. W. Phillips.

No. 548

Lord Kilmarnock (Berlin) to Earl Curzon (Received May 3, 9.5 a.m.)
No. 185 Telegraphic [C 9026/2740/18]

BERLIN, May 2, 1921, 7 p.m.

Press states that it has been decided by Allies to present ultimatum to Germany on reparation question.

Reliable source tells me that such an ultimatum would be accepted by Germany but that it would involve change of Government as Doctor Simons could not in view of his past utterances accept responsibility of yielding. It is believed that Streseman[n] would become Chancellor and would rely on present coalition with tacit support of German nationals who would not however enter Government. Majority Socialists could then be counted on to support acceptance of Entente conditions. It seems now to be realized that Count Bernstorff¹ would not be suitable as Minister for Foreign Affairs.

Reason suggested for this procedure is that it is realized that mass of German people are in favour of peace and quiet at any price and that if Bourgeois parties refused compliance with allied demands they would lose support of electorate which would turn to Socialist parties at next opportunity. Considerable attention has been aroused by an article in Saturday's² 'Die Glocke' by Parvus Helphard who is chief mentor of Scheidemann. This article declared present Government is not sufficiently representative of German people to bear grave responsibility of present crisis and calls for fresh elections. It states that Majority Socialists would not enter Government except under condition that new elections would be held immediately. It seems possible that Bourgeois parties hope to avoid this contingency by themselves yielding to Allies and continuing office.

I give above under considerable reserve as situation is by no means clear.

¹ Member of the German Democratic Party in the Reichstag.

² i.e. of April 30.

No. 549

Sir A. Geddes (Washington) to Earl Curzon (Received May 3, 11.35 a.m.)
No. 290 Telegraphic [C 9048/2740/18]

WASHINGTON, May 2, 1921¹

Secretary of State in an informal conversation this morning said that he had postponed sending reply to German reparations note in expectation that I might receive from Your Lordship some suggestions which might be helpful to him in framing his reply.

Views of Secretary of State with regard to reparations question are entirely favourable to position of Allies and so far as differences in attitude exist between Allies themselves he seems strongly to favour what he understands to be British view.

I should be glad if Your Lordship would telegraph to me as soon as possible any suggestions which you wish to make to Secretary of State, as I consider a favourable opportunity is now presented, not only for prompting attitude of State Department on reparations question, but also of laying foundation for a more general understanding with United States Government.

¹ The time of despatch of this telegram is not recorded.

*Earl Curzon to Sir A. Geddes (Washington)**No. 254 Telegraphic [C 9048/2740/18]*FOREIGN OFFICE, *May 3, 1921, 7.15 p.m.*

Your telegrams Nos. 263 and 264 of 25th April and No. 290 of 2nd May:¹ Reparations negotiations.

We have been waiting to communicate with American Government concerning German situation until discussion with Allied representatives which has been proceeding here has assumed definite shape. Had American Ambassador been in this country, Prime Minister, as president of the Conference, would gladly have invited him to assist in our deliberations. In his absence it was impossible to take such a step, the more so as previous American Government had withdrawn Mr. Davis² from attendance at meetings of Allied Conference in London, as well as Mr. Wallace³ from Ambassadors' Conference at Paris.

For their part, His Majesty's Government would heartily welcome reappearance of American representative, both at Allied Conference, at Ambassadors' Conference, and on Reparation Commission, and an official invitation to that effect has been sent from the Supreme Council.⁴ We hope very much in the common interest that this invitation will not be refused.

In the meantime we are anxious that American Government should be fully informed of what is passing here, and that friendly attitude of Secretary of State, described in your telegram No. 263, should be cordially reciprocated. In common with our Allies, we thank the United States Government for its courtesy in respect of the recent German notes which it has received.

It may be well to explain confidentially genesis of decision conveyed to Germany (see below). French public opinion had been worked up to determination to occupy the Ruhr without further parley, feeling that Germany is endeavouring to escape payment of just reparation, and that unless economic asset controlling German industrial life is seized, France will, after experience of past two years, never be paid. This determination is beyond the control of Briand, who has more moderate tendencies. View of His Majesty's Government was that no German Government is strong enough to make an adequate reparation offer except under strong external pressure, and that only method of preventing occupation of Ruhr, perhaps indefinitely prolonged, was that Allies should formulate scheme described below, proportioned to real German capacities, and require acceptance as alternative to immediate occupation. Our policy, which has been resisted by French, is now adopted in substance if, in view of French susceptibilities, not entirely in form.

¹ Nos. 533, 535, and 549 respectively.

² Mr. J. W. Davis, United States Ambassador in London; the withdrawal followed the failure by the United States to ratify the Treaty of Versailles, see Vol. V, Chap. II.

³ Mr. Hugh C. Wallace, United States Ambassador in Paris.

⁴ See Vol. XV, No. 82, appendix 1.

In framing scheme, we have proceeded upon basis of (1) conforming strictly at each stage to the provisions of the Treaty of Versailles; (2) inviting the Reparation Commission to complete the duties laid upon it by that treaty (3) bringing the long-protracted issues with the German Government to a head, so as to avoid continued series of conferences, ultimatums, notes and sanctions, and, if possible, to secure finality; and (4) giving the German Government an opportunity to accept the terms finally laid down and to fulfil its treaty obligations, before putting in force the sanctions of military and naval action that would be entailed and justified by the continued neglect of latter. Upon these principles has been drawn up the following declaration by the Allied Powers, which it is proposed to communicate to the German Government without further delay. Text is contained in my immediately following telegram.⁵

It would not seem to be proper, and it might cause reasonable offence, if we were to ask American Government to associate themselves directly with proposals in framing which they have, for reasons above explained, not borne a share. But if American Government found themselves able to indicate to German Government their general approval of the terms and to advise the latter, who have plainly intimated their anxiety to follow American advice, to accept them, we think that America might make a very valuable and substantial contribution to peace of world and thus fitly inaugurate régime under which, if we do not misunderstand statements of President and Secretary of State, she is prepared once again to evince an active interest in the settlement of the problems arising from the war, which her participation did so much to win.

You should make a general statement to the Secretary of State on these lines. But you are at liberty to place the position before him in such a way as may seem to you best adapted to secure the end that we have in view, always bearing in mind that it is our sincere desire to work in harmony with the American Administration.

Similar instructions are being sent by the remaining Great Powers to their representatives at Washington, each Power being responsible for the exact form in which it prefers to couch its own communication.

You will therefore be supported by the concurrent action of your colleagues.

Details of financial scheme approved by Allied Governments for despatch to German Government will follow in later telegram.

⁵ This telegram is not printed. For the text in question, see Vol. XV, No. 83, appendix 1.

No. 551

Sir A. Geddes (Washington) to Earl Curzon (Received May 3, 10.30 p.m.)
No. 293 Telegraphic [C 9070/2740/18]

WASHINGTON, May 3, 1921¹

My immediately preceding telegram.²

Draft of this note was read to me by Mr. Hughes yesterday, when I understood from him that he would send it to-day or to-morrow, if no indication came from London of an Allied desire for United States Government to say anything positive (my telegram No. 290).³ I am unaware of the reason which made Mr. Hughes decide to despatch the note last night, but all inclined to suspect publication of press reports from London, to the effect that he had informed M. Jusserand that he was against occupation of Ruhr, may have been deciding cause. Mr. Hughes is most anxious to co-operate with the Allies in the matter of reparations and to secure Germany pays to the limit of her capacity short of complete economic ruin.

I am of opinion that recent conversations on the subject of Allied debts owing to Great Britain and America have inclined United States Government to appreciate more fully the vital importance of the payment of the maximum possible reparations to the Allies.

Public opinion here, in my judgment, will support strong action, both naval and military, against Germany to compel her to pay.

¹ The time of despatch of this telegram is not recorded.

² Not printed. This telegram transmitted the reply of the United States Government of May 2 to the German Government's memorandum of April 24. For text see *F.R.U.S.*, op. cit., pp. 54-55.

³ No. 549.

No. 552

Lord Kilmaarnock (Berlin) to Earl Curzon (Received May 4, 9.15 a.m.)
No. 190 Telegraphic [C 9067/2740/18]

BERLIN, May 3, 1921, 11.10 a.m.

Minister for Foreign Affairs sent for me to-night and said he supposed I knew of American reply to German reparation offer.¹ He seemed aggrieved that reply had been so long delayed and said that before its receipt German Government had not felt in a position to make any fresh offer to Allies. Now he feared it was too late. He asked whether I could tell him what situation was in London, and I replied that I had no information beyond what was in the papers. He said Cabinet were considering whether they could put forward any fresh offer and intended to submit question to Reichstag. He would be glad to know whether a fresh offer would be likely to receive consideration or would merely meet with immediate refusal. I said my personal opinion was that any offer which showed real intention on the part of German Govern-

¹ See No. 551, n. 2.

ment to carry out their obligations would be useful. He smiled rather incredulously and said that decisions reported by the Press to have been taken in London were so far away from anything that had previously been discussed that it was difficult to know on what lines to proceed. I reminded him that His Majesty's Ambassador had always advised him that nothing but complete acceptance of Paris decisions could be of slightest use. He said even if present Government could accept those decisions it did not seem now as if anything would be gained. New decisions as reported were much nearer to terms of Treaty than Paris decisions, and Germany would be prepared to abide by obligations imposed by Treaty.

No. 553

Sir A. Geddes (Washington) to Earl Curzon (Received May 6, 11.25 a.m.)
No. 301 Telegraphic [C 9280/2740/18]

WASHINGTON, May 5, 1921

My immediately preceding telegram.¹

Secretary of State has expressed himself as much pleased and gratified by the message of invitation sent by the Allied Conference.² He is also much pleased by the thanks sent by His Majesty's Government in common with the Allies to the United States Government for its handling of the recent German note (your telegram No. 254).³ Secretary of State now anxiously awaits details of financial scheme.⁴

I had had conversations with Secretary last night and this morning. He is personally whole-heartedly in favour of America's being represented at the Allied Conferences, on the Ambassadors' Conference and on the Reparations Commission and has undertaken to do his utmost to persuade the President to agree to each representation. This may not be an easy task as there are powerful influences at work in the Senate whose object is to prevent any cooperation between the United States and the Allies, and more especially Great Britain.

Object of these Senators is to secure more power of control over the conduct of foreign affairs and they desire to force the Allies to submit their decisions to Washington for approval or veto of United States of America, themselves to decide in effect what it is to be.

Struggle between the Secretary of State and Senators is developing rapidly. President, while insisting on (? prerogatives) of his office, does not as yet apparently wish to antagonise too powerful a section of the Senate and is moving with caution. If he makes up his mind that America is to be represented he will be able to beat the Senate for the time being, but any action taken by America's representatives at the Allied Conference or other inter-allied body will be jealously reviewed by the Senate.

¹ No. 300 of May 5, not printed.

² See No. 550, n. 4.

³ No. 550.

⁴ This was transmitted to Washington by Lord Curzon in his telegram No. 261 of May 5. See Vol. XV, No. 83, appendix 2.

It is now openly said in senatorial circles that 'Mr. Hughes must go' or that 'President if he remains so friendly to England will have to drop his h's': the h's are Mr. Hughes and Mr. Hoover.

This attitude of the powerful groups in Washington should be kept in mind in any effort to understand the complexity of the political situation here and to appreciate the difficulties which the Secretary of State has to face. Power behind these forces in the Senate is partly personal jealousy, partly German influence, partly Irish and partly just Senator Lodge. In the meantime our policy should I think be to make things as easy as possible for the Secretary of State. If he were to resign or be promoted to Chief Justiceship he would possibly be succeeded by Mr. Fall, Secretary of the Interior, who is a Knox nominee⁵ and a Standard Oil man.

In the circumstances it may come about that the Administration will decide to send observers simply to the Allied meetings and I think it would be well, if they propose this, to agree cordially.

⁵ In his telegram No. 129 of March 4 Sir A. Geddes had reported that he had heard from a reliable source that the President had reached an understanding with Senator Knox under which the Senator would support the Government in return for the appointment to the Administration of three of his nominees.

No. 554

Earl Curzon to Sir A. Geddes (Washington)

No. 262 Telegraphic [C 9048/2740/18]

FOREIGN OFFICE, *May 5, 1921, 5 p.m.*

The following observations may be of use to you in instituting a comparison between the conditions now forwarded to German Government¹ and those which were agreed upon by the Allies at Paris in January 1921² and at Boulogne in July 1920.³

The principal objections of Germany to the earlier conditions were to the following points:

(1) The large fixed annuities payable by Germany in later years, amounting to six milliards (at Paris) and seven milliards (at Boulogne). Under the present proposals the fixed annuity does not increase above two milliards; the variable annuity depending exclusively on Germany's economic recovery, and not increasing unless Germany's export trade develops.

(2) Proposed interference in German financial administration.

Under the present proposal there will be no administrative interference. The duties of the Sub-Committee of Guarantees are limited to controlling the funds resulting from the assigned revenues, and to providing that reductions of revenue shall not be agreed without adequate substitution from other sources.

¹ See Vol. XV, No. 87.

² See No. 432, n. 2.

³ See Vol. VIII, Chap. IX.

(3) Prohibition of State credit operations without consent of Reparation Commission. This prohibition has now been abandoned.

(4) The proposal made at Boulogne that allied participation in German financial and industrial concerns should be imposed as a condition.

This is not now pressed.

Repeated to Berlin No. 87.

No. 555

Memorandum respecting the State of Execution of the Treaty of Versailles

[C 9257/2262/18]

FOREIGN OFFICE, May 5, 1921

The following is a statement of those matters in which the German Government have failed to execute the Treaty of Versailles and the subsidiary agreements thereto:—

(A)—*Reparation*

1. Goods and cash to the value of only 8 milliards of gold marks (400,000,000*l.*) have been delivered out of the 20 milliards of gold marks (1,000,000,000*l.*) due by May 1st, 1921, as a first instalment of the reparation payments required to enable the Allies to make good the damage caused by the war.

2. The allied coal demands, which have been exceedingly moderate in comparison with the quantities which the Allies were authorised to demand under the treaty, have been most inadequately met, as the following table shows:—

(Quantities in millions of tons.)

Period	Treaty Stipulations	Actual Demands	Deliveries
January 10–May 31, 1920 ¹	16·0	7·8	3·2
August 1 [1920]–January 31, 1921	20·4	12·0	11·4
February 1–March 31, 1921	6·8	4·4	3·3

(B)—*Disarmament*

Despite the facts that the Allies have, during the last sixteen months, made numerous attempts—notably at Boulogne (22nd June, 1920), Spa (7th July, 1920) and Paris (29th January, 1921)—to meet the difficulties of the German Government with regard to disarmament, and that they have on several occasions extended the time limits fixed by the treaty, the German Govern-

¹ *Note on original:* The default for the month of June 1920 was even greater, but the Allies, instead of imposing penalties, entered in July into a fresh coal agreement with the Germans at Spa.

ment, in the case of the military clauses, is still in default in the following matters:—

1. The organisation of the army does not conform to the text of the treaty in certain technical details.
2. Excessive quantities of war material still remain in the hands of the army authorities and of the civil population.
3. The armament of certain fortresses on the eastern frontier and on the North Sea coast is still in excess of the quantities authorised by the treaty.
4. The police force is still in excess of the numbers authorised.
5. The unauthorised military forces and societies (such as the *Einwohnerwehr*) are still in being and armed. In Bavaria alone these forces are 320,000 strong, with 420,000 rifles and 2,700 machine guns.

(C)—*War Criminals*

Despite the concessions, granted by the Allies in their notes of February 13th, 1921, and May 7th, 1921,² and the substitution of the trial of a preliminary list of forty-five persons by the Leipzig Supreme Court for the demand for the surrender to the Allies of all the persons adjudged by them to be guilty of offences against the laws and customs of wars [*sic*], the Germans have made no effort to show their good faith by hastening on the trials of selected persons.

Out of the seven persons whose names were contributed by the British Government three have escaped from Germany (whether with or without the connivance of the German Government is not known) and the trials of the remaining four have only recently been fixed for the end of this month.

Whilst the delay may in part have been due to the difficulties of taking evidence, &c., it is clear that the German Government have been quick to make the best of every opportunity for causing further trouble and difficulty.

(D)—*Economic Clauses*

1. The German Government, in defiance of their obligations under articles 321, 322, 327 and 273 of the treaty, and in spite of continuous protests, have steadily discriminated against British shipping lines by refusing to grant licences to carry emigrants and to supply bunker coal at the same price to allied as to German vessels.

2. The German Government, in defiance of the provisions of the clearing office system (article 296), have not restrained their nationals in neutral countries from suing British firms for the direct recovery of pre-war debts, which, under the treaty, British firms can only pay through the clearing office.

² Not printed.

Memorandum respecting Reparations Negotiations

[C 9388/2740/18]

FOREIGN OFFICE, May 5, 1921

Summary of the German offer of the 26th¹ April, 1921, and of the Allied proposals of the 5th May, 1921 (in continuation of the summary of the various reparations proposals made at Boulogne, Paris, Brussels and London, June 1920–February 1921² (C 5580/2740/18)).

(J)—*German Proposals, April 26, 1921*

1. German Government will either—

(a) Acknowledge a total liability of 50 milliard gold marks (2,500,000,000*l.*), in which case payment would be made by—

- (1) The immediate issue of a loan guaranteed on some public property or income;
- (2) Participation in reconstruction of devastated areas;
- (3) Immediate payment in gold, foreign bills and values of 1 milliard gold marks (50,000,000*l.*);
- (4) Four per cent. interest on total liability not immediately covered by (1), (2) and (3), and discount at a rate to be fixed according to German prosperity; or

(b) Pay annuities totalling 200 milliard gold marks (10,000,000,000*l.*), payment apparently to be spread over some sixty or eighty years, so that present value would approximate to 50 milliard gold marks (2,500,000,000*l.*).

2. Acceptance of proposal (b) would entail some technical alterations in methods of payment suggested under proposal (a).

3. Either proposal conditional upon—

- (a) Cancellation of all other reparation liabilities.
- (b) Abolition of sanctions.
- (c) Freeing of German commerce, maintenance of present German productive capacity unimpaired (Silesia), and abolition of all unproductive expenditure (armies of occupation).
- (d) Renunciation of Allied right of liquidation of German private property.

4. If the Allies are not satisfied with these proposals, Germany will accept the verdict of a commission of experts, agreeable to all parties and appointed to examine her capacity, or she will hear amendments to her present proposals or new proposals from the United States.

(K)—*Allied Proposals, May 5, 1921*

1. Total liability fixed at 132 milliard gold marks (6,600,000,000*l.*), less amount already paid, and any other sums which may in future be credited to Germany, plus amount of Belgian debt.

¹ Cf. No. 533, n. 2.

² See No. 464 for summary of proposals A-I.

2. This liability to be liquidated by payment of—
 - (a) Fixed annuities of 2 milliard gold marks (100,000,000*l.*).
 - (b) Variable annuities equivalent to 26 per cent. of German exports, or alternatively an equivalent amount reached by any other index of German prosperity.
3. Above annuities to be represented by bonds of three series carrying interest at 5 per cent. and with a 1 per cent. cumulative sinking fund:—
 - (a) Series 12 milliard gold marks (600,000,000*l.*), issued by the 1st May, 1921.
 - (b) Series 36 milliard gold marks (1,900,000,000*l.* [*sic*]), issued the 1st November, 1921.
 - (c) Series 82 milliard gold marks (4,100,000,000*l.*), issued as Reparation Commission consider assigned revenues (see below) adequate to pay interest and sinking fund.
4. These bonds will be covered by assigned revenues (*i.e.*, customs, including proceeds of 25 per cent. export tax) or any other alternative revenues proposed by German Government and approved by Committee of Guarantees (consisting of representatives of Allied Governments represented on Reparation Commission, the United States of America (if latter so desire) and in due course three other Powers), which will supervise moneys derived from assigned revenues without possessing any right to interfere in German administration.
5. Payment within twenty-five days of 1 milliard gold marks (50,000,000*l.*) in gold, bills or three-month drafts on German Treasury, which will count towards first fixed annuity.
6. Germany to participate in reconstruction of devastated areas at request of any Allied Government, and to co-operate in execution of any Allied measure similar to British Reparations (Recovery) Act, value of results of such action being credited in each case to reparation account, and in latter case including 25 per cent. export levy.
7. One per cent. of export levy and any surplus of fixed annuity and of remainder of export levy not required for charges on outstanding bonds will be applied to pay simple interest (not exceeding $2\frac{1}{2}$ per cent. to the 1st May, 1926, and not exceeding 5 per cent. thereafter) on balance of debt not already covered by issued bonds. This uncovered balance will not otherwise pay interest.

(L)—*Comments on Latent Allied Proposals*

1. The total of the first five years' fixed and variable annuities will probably by little, if at all, exceed the total fixed for the similar period at Paris. This figure was accepted by the Germans at London, though it has since been repudiated by Dr. Simons.
2. The real rock on which the London Conference broke down disappears with the large fixed Paris and Boulogne annuities for the latter years.

3. The proposal to assign certain revenues to guarantee the reparation payments was actually made in the German note of the 26th April. Under the Allied proposals the Committee of Guarantees supervises the funds produced by the assigned revenues, and may object to reduction of such revenue without adequate substitution from other sources. The committee may not interfere with German administration.

4. The Paris prohibition of State credit operations without the consent of the Reparation Commission has been abandoned.

CHAPTER IV

Military Control of Germany and German Problems other than Reparation

January 1—May 5, 1921

No. 557

Lord Kilminsterock¹ (Berlin) to Earl Curzon (Received January 6)

No. 6 [C 423/423/18]

BERLIN, January 1, 1921

My Lord,

I have the honour to report that the public attention has been drawn again recently to the question of the alleged reactionary temper of the German army ('Reichsheer'—the provisional term 'Reichswehr' has now been officially dropped).

The German Minister of Defence has been subject to constant criticism on this subject by certain elements in his own party (the Democrats) and also by the Socialists. He has been accused of being a mere catspaw in the hands of General von Seeckt² and of the officers at the Ministry, who are believed to aim at making the new army a replica on a small scale of the old Imperial German army.

Dr. Gessler has never been very successful in defending himself against the criticism levelled at him, and his latest apologia, of which I have the honour to enclose a brief summary³ is not much more convincing than its predecessors. In it the Minister of Defence practically admits that the overwhelming majority of the present corps of officers are monarchist at heart.

The spirit instilled by General von Seeckt, the real master of the new German army, into that body may be judged by his New Year's message to the army, of which I also enclose extracts.⁴ General von Seeckt is at no pains to conceal the fact that he desires the new army to model itself sedulously on the old.

Finally, I have the honour to enclose a summary of an article published in the Democratic 'Frankfurter Zeitung' attacking the steady return to the old traditions of the Germany army.⁵

I have, &c.,

KILMARNOCK

¹ Counsellor at H.M. Embassy, Berlin, and Chargé d'Affaires during the frequent absences of Lord D'Abernon.

² Chief of the German General Staff.

³ Enclosure 1 below.

⁴ Enclosure 2 below.

⁵ Not printed.

ENCLOSURE 1 IN No. 557

Extract from an Article by the German Minister of Defence, quoted from the 'Bayerische Staats-Zeitung' in the 'Tägliche Rundschau', December 30, 1920

The political aspect of the new German army bristles with problems. The corps of officers is undoubtedly for the most part monarchist in feeling. The fact is that so far-reaching a tradition cannot be cast into oblivion overnight. On the other hand, efforts are being made in some quarters to make the army a political instrument. An army of this kind could never, however, be more than a Prætorian guard. The Government Army Bill, which is now before the Reichstag, is based on the necessity of making the army a non-political body. Soldiers may not belong to any political association, though they may become members of economic associations so long as order and discipline are not prejudiced thereby. If they were given the full right of coalition that would involve the right to strike, and the path which would be trodden by army trade unions is clear to me from the experience of other professions and other countries. The suggestion that political interests should be represented by civil commissioners attached to the troops cannot be entertained for a moment. The most cursory examination of events during the French Revolution should be enough to show in what direction an army dominated by political interests may well develop.

ENCLOSURE 2 IN No. 557

Extracts from a New Year's Message to the German Army issued on January 1, 1921, by General von Seeckt, Chief of the General Staff

We will keep our swords sharpened and our shields bright.

I trust that the old sense of duty and honour may be cherished and cultivated as a sacred heritage of a great past by the new army individually and as a whole. . . . Inspired by the true sense of honour, by patriotism, and by the sentiment of responsibility, the new army will be able to vie with the old in warlike efficiency.

Under the supervision of their official superiors the regimental commanders are to retain in full their historic and traditional position and responsibility. . . . The regimental commander is the adviser and oldest friend of his officers, and he is the natural arbiter and judge in all differences and points of doubt. . . . The company commander has similar duties towards his non-commissioned officers and men.

No. 558

*Sir G. Grahame¹ (Brussels) to Earl Curzon (Received January 1, 9.30 p.m.)
Unnumbered Telegraphic [C 21/13/18]*

Private

BRUSSELS, January 1, 1921, 6.43 p.m.

Minister for Foreign Affairs discussed with me at length this morning political situation arising from development (? s with) (? respect to) dis-

¹ H.M. Ambassador at Brussels.

armament of Germany.² He gave me his views, which were, he said, first impressions and for my private information, as he had not yet consulted his colleagues. He sees necessity for firmness in dealing with Germany. Until she has really disarmed, there will be no peace nor cessation of swollen armaments of France. On the other hand he realises internal difficulties of German Government, especially with regard to South Germany. He believes his colleagues would agree with him that an occupation of Ruhr basin should be avoided at all costs. He does not think that France would act without co-operation of some other country. Belgian people would be averse to any war measures. On his present information, he would be inclined to deprecate immediate measures of constraint and to propose that German Ministers should first be summoned to confer with Allies. Allied Governments would then be able to hear direct account of their difficulties and perhaps be able to come to some arrangement. At any rate the rest of the world would not have the impression that Allies had taken harsh and sudden measures against their former enemy.

I can hardly give, in short résumé, sensible and reasonable manner in which Minister for Foreign Affairs discussed the question.

² See Vol. X, Chap. IV, and especially Nos. 348-52. On December 31, 1920, the French Ministry of Foreign Affairs sent to the German Ambassador in Paris a note (copy of which was enclosed in Paris despatch No. 4 of January 1, 1921, not printed) drawing attention to Germany's failure to fulfil the terms of the Spa Protocol (see Vol. VIII, Nos. 50-52) and other undertakings. In sending a copy to Lord Hardinge, the French Ministry of Foreign Affairs explained: 'La démarche . . . a pour seul objet de réserver les droits que les Puissances alliées tiennent du Traité de Paix et du Protocole de Spa. Elle ne comporte aucune action isolée du Gouvernement de la République.' Cf. Vol. X, No. 350, n. 2. On January 3 the French Government proposed that the Supreme Council should meet in Paris on January 7 to determine measures to be taken. After some negotiation the date was fixed for January 19 but, owing to governmental changes in France, the opening of the conference was postponed until January 24.

The French Note of December 31 was answered by the German Government in a Note of January 2, 1921. This German Note is printed in the *Deutscher Geschichtskalender*, vol. i, 1921, pp. 2-6.

No. 559

Sir A. Geddes¹ (Washington) to Earl Curzon (Received January 4, 1921, 10.10 a.m.)
No. 4 Telegraphic [C 133/129/18]

WASHINGTON, *January 3, 1921*²

Acting Secretary of State Mr. Norman Davies [Davis] today informed me that he had declared verbally to French Ambassador that it was the opinion of United States Government that contemplated occupation of Ruhr district by French troops would if carried out be at once impolitic, unnecessary and inexcusable.

He asked that I should at once transmit this information to Your Lordship.³

¹ H.M. Ambassador at Washington.

² The time of despatch of this telegram is not recorded.

³ Lord Curzon commented: 'I do not think that this sporadic and spasmodic intervention of America will count for much.'

Lord Hardinge¹ (Paris) to Earl Curzon (Received January 4, 10 a.m.)

No. 5 Telegraphic [C 134/13/18]

PARIS, January 3, 1921, 8.25 p.m.

In accordance with instructions contained in your despatch No. 4190 of December 31st² I have had to-day two long and separate conversations with President of the Council³ and Secretary General of Foreign Affairs⁴ in which I urged upon them your views as to necessity of a change of procedure in dealings of Inter-Allied Commission of Control at Berlin with German Government on questions having political as well as military importance. I think they will be ready to agree to change which Your Lordship has suggested, but they are impressed with inopportune of the moment for raising point since it would tend to show a divergence of opinion between the two Governments at a time when unity is essential in order to impress German Government. The question at issue is one for future and not for now when disarmament of Germany has to be decided, and they would prefer that this latter question should be taken up and settled before that of future procedure is discussed.

I was careful to avoid any criticism of Inter-Allied Commission⁵ upon which they are very sensitive owing to presidency of General Nollet and they both argued that Commission had in no sense exceeded its powers. I left with

¹ H.M. Ambassador at Paris.

² Vol. X, No. 351.

³ M. Leygues.

⁴ M. Berthelot.

⁵ i.e. the Inter-Allied Military Commission of Control at Berlin of which General Nollet was President. A Foreign Office letter of January 7 to the War Office, Air Ministry, and Admiralty, *mutatis mutandis*, stated 'that in accordance with the Cabinet decision of the 30th December, 1920, His Majesty's Ambassador at Paris was instructed to propose to the French Government that the Naval Commission of Control should be instructed not to address to the German Government notes raising political issues without reference, in the first place, to the Conference of Ambassadors.

'2. The French Government have now replied that they consider the present moment, when the whole policy of the Allied Governments towards Germany in the matter of disarmament is under consideration, inopportune for discussion of this proposal. Lord Hardinge has been instructed to inform the French Government that His Majesty's Government concur in this view, but at the same time to inform them that His Majesty's Government intend to raise the whole question of the method of communication between the Commissions of Control and the German Government at the forthcoming meeting of the Supreme Council in Paris. [See Nos. 562 and 567, below.]

'3. In the meantime, if instructions to that end have not already been issued to the British representative on the Naval Commission of Control in Germany in accordance with the Cabinet decision of the 30th December, Lord Curzon would be glad if Admiral Charlton could be instructed to withhold, pending reference to His Majesty's Government, concurrence in any possible future communications raising issues of a political character which the Naval Commission of Control may propose to address to the German Government.' In their letter of January 11 the War Office replied 'that instructions have been sent to Major-General Hon. Sir F. R. Bingham, British Representative, Inter-Allied Military Commission of Control, Berlin, in the sense desired by Lord Curzon in paragraph 3 of the above letter.'

President of the Council an *aide-mémoire*⁶ and I understand from Secretary General of Foreign Affairs that I shall receive a reply⁷ in writing tomorrow.

Upon general question of disarmament, the President of the Council stated that he is ready to agree to any step that is firm and moderate. If question of disarmament by Echelon⁸ is raised, he will be quite ready to consider it but he wants a united and firm front since he is confident, as also is General Nollet, that if France and England are united Germany will give way at once.

⁶ Not printed.

⁷ A copy of this reply, dated January 3, was enclosed in Lord Hardinge's despatch No. 30 of January 4, not printed.

⁸ i.e. in stages, see below, No. 570, n. 1.

No. 561

Earl Curzon to Lord Kilmaarnock (Berlin)

No. 5 [C 93/13/18]

My Lord:—

FOREIGN OFFICE, *January 3, 1921*

The German Ambassador called on me on December 30th to enquire about the attitude of the Great Powers towards his country, with special reference to the demands that had recently been made by the Allied Military Commission of Control for the strict fulfilment by Germany of the terms of the Versailles Treaty and subsequent agreements, in respect of the surrender of aeroplanes, guns and rifles, the dismantling of fortresses and the disbandment or disarmament of the police and other forces still maintained in different parts of the German Empire.¹ He complained that these demands indicated a new spirit of distrust and antagonism, that they were placing upon Germany a task beyond her power to perform, that they must gravely imperil the existence of the German Government—the only Government possessing any stability that Germany was capable of producing at the present time—and that they would jeopardise the good results that might otherwise be expected from the Brussels Conference.² Did this attitude, he asked, reflect the views and intentions of all the Powers? Was the action of the Military authorities inspired or endorsed by their Governments? Did the latter mean to carry out their threats even to the extent of the occupation of German territory? Had I any encouraging words to utter that might mitigate the anxiety and despondency in which the Berlin Government were not unnaturally plunged?

I replied that we in England were not unaware of the difficulties with which Germany was confronted. We realised that there was some force in the plea that, pending the conclusion of peace between Poland and Soviet Russia,³

¹ See Vol. X, Chap. IV *passim*, and particularly Nos. 314, 318, 330, 334–7, 341–5, 348–9, and 351–2.

² A conference of financial experts to discuss reparation problems had opened at Brussels on December 16, 1920; see Vol. X, No. 411, n. 3.

³ See Vol. XI, Chap. II, No. 711 *et passim*. The text of the treaty is printed in *B.F.S.P.*, vol. 114, pp. 917–50.

there was ground for maintaining defensive forces and positions in Eastern Prussia. We were conscious too of the anxieties of the Bavarian position, the great fear entertained in that country of another Communist rising, the alarms of the peasant population in the country districts, and the difficulty experienced by the Central Government in bringing pressure to bear upon the Southern States. We did not wish to be too hard upon Germany. We had indeed shown a more friendly disposition to her since the conclusion of peace than any of the other Great Powers. We were desirous in the general interest as well as her own to build up again her economic and industrial strength. We were disposed to do all in our power to help the present Government, in whose good faith we believed. At the same time, I went on to say, Germany might make it much easier for us to pursue this line than she was sometimes inclined to do. There must be no more foolish or incendiary speeches delivered by German Ministers in Occupied territory or elsewhere.⁴ Dr. Simons⁵ in particular, though a very clever man, had sometimes made speeches that were not only disappointing but unwise. It was useless for German Ministers to come forward almost as suppliants with pleas for leniency and mitigation if at the same time they indulged in provocative and even minatory remarks.

There was another piece of advice that I ventured to give to His Excellency. I noticed that, in reply to the very categorical demands of the Military Commission, which were not uncommonly couched in the form of an ultimatum, with specific days and dates, the German Government were in the habit of indulging in vague and often dilatory promises, which gave the impression of reluctance and procrastination. I suggested that they should themselves take the initiative, and, with regard to Eastern Prussia for instance, put forward concrete proposals for progressive reduction, step by step, with finality at a given date. Again with regard to Bavaria, it was all very well to repeat the now familiar truisms to which I had already referred, but they were not good enough to dispose of the fact that, at a moment when the Communist agitation and the danger of a Communist rebellion in Bavaria were less than they had been at any time since the War, the Bavarians nevertheless persisted in maintaining a force of 300,000 men (*Einwohnerwehr*), a number which must be grossly in excess of the needs of the case and that this total had been swollen by 70,000 men since the Spa Conference.⁶ These facts suggested not unreasonable suspicions. Why did not the German Government address themselves seriously to the Bavarian situation, and anticipate the action of the Allies by submitting definite proposals for reductions, stage by stage? They would thus give the best impression of their own *bona fides*; for the rival campaign of charges and excuses could not go on indefinitely, without leading to disaster.

As regards the Notes of the Military Commission, I reassured Herr

⁴ The German Chancellor and the Minister for Foreign Affairs had made a series of public speeches in the Rhineland in November 1920; see Vol. X, Nos. 239-44, 246-7, 249, 255, and 257.

⁵ German Minister for Foreign Affairs.

⁶ See No. 558, n. 2.

Sthamer by informing him that these were issued on the authority of the Allied Generals without reference either to the Ambassadors' Conference at Paris or to the Allied Governments. I did not tell him that I had made the proposal to the Allies that no such Notes, involving political issues of the first importance, should in future be issued by General Nollet and his colleagues without reference to the Ambassadors' Conference;⁷ since I did not yet know how that proposal would fare. But the assurance that the military decisions were not political decisions, and that the Generals were in the habit of acting independently of their Governments, appeared to afford the Ambassador the most intense relief, and he more than once expressed his satisfaction at hearing it.

The sum total of my advice to Herr Sthamer was that his Government should never forget that the Treaty of Versailles was meant not to be evaded but fulfilled; that it was a foolish game to try and produce dissensions among the Powers, for in all larger respects it must fail; but that when they found any of the Great Powers anxious to lend a helping hand, and ameliorate the situation, it was even greater folly not to make things as easy as possible for those who were willing to befriend them. Nothing could be worse policy than to give the impression of deliberate recalcitrancy or petulant obstruction.

Herr Sthamer thanked me most warmly for my warnings and advice, which he said had lifted a great load from his mind; and he left my room with a visibly lighter step than he had entered it.

I am, &c.,

CURZON OF KEDLESTON

⁷ See Vol. X, Nos. 348 and 351; see No. 560.

No. 562

Lord Hardinge (Paris) to Earl Curzon (Received January 4, 5.20 p.m.)
No. 6 Telegraphic [C 235/13/18]

PARIS, January 4, 1921, 1.45 p.m.

My telegram No. 5.¹

In note received since my conversation of yesterday French Government agree in principle with view of His Majesty's Government as to desirability of laying down a procedure which will prevent Commissions of Control from raising unexpected important political questions.² But they repeat that it would be dangerous and inopportune to bring this matter before Conference of Ambassadors at present moment, before fundamental questions regarding non-execution of Treaty and Spa Protocol have been examined, and decisions of Allied Governments communicated to German Government, their argument being that such a course would weaken authority of Commission of Control, and give Germany impression that Allied Governments intended to disavow it on fundamental questions.

¹ No. 560.

² See No. 560, n. 5.

The note goes on to justify course taken by Commission by showing that it was merely carrying out instructions of Allied Governments as expressed in Spa Protocol and Boulogne decision of June 22nd.³

Lastly French Government explain again the need for sending their note of December 31st to German Government⁴ and end up by requesting that His Majesty's Government will give speedy effect to their request for summoning of Supreme Council.

In view of this reply I shall be glad to learn whether you still wish the question of procedure to be brought up at the next meeting of Conference on January 7th.

The fact that intentions of His Majesty's Government to limit independent action of Commissions of Control has [*sic*] been published in the press,⁵ adds weight to the French argument that a discussion at present moment at Conference might lead to misconstructions.

The Italian Ambassador had so far received no instructions yesterday.

³ For the proceedings of the conference at Boulogne, June 21-22, 1920, see Vol. VIII, Chap. V. The draft of the note of June 22 from the Allies to the German Government is printed in Vol. VIII, No. 33, appendix 2, and the final version in Cmd. 1325 of 1921, No. 166.

⁴ See No. 558, n. 2.

⁵ See *The Times*, January 4, p. 9, and January 5, p. 10.

No. 563

Mr. Seeds¹ (Munich) to Earl Curzon (Received January 4, 11.10 p.m.)

No. 1 Telegraphic [C 238/13/18]

MUNICH, January 4, 1921, 6.10 p.m.

My telegram No. 39.²

I venture to submit the following observations on the present position of Einwohnerwehr.³

Bavarians will certainly refuse to comply with any demand for immediate, or very early complete disarmament, unless backed by threats of coercion.

Coercion from Berlin can only be military or economic. Former is out of the question. As regards the latter, I can only suggest stoppage of coal supplies, but even if present weak Berlin Government could be induced to take this step, Bavaria could retort by withholding supplies of food. The possibility that Bavaria, if driven to extremes, might reply by separating from Germany should not be lost sight of, though my impression is that she would hesitate to take such action.

As regards coercion by Entente, it is unfortunate that no reasonable direct action against Bavaria suggests itself. I fear that Bavarian Government might

¹ H.M. Consul-General at Munich.

² Of December 17, 1920, not printed. In this telegram Mr. Seeds had stated: 'Von Kahr [the Bavarian Prime Minister] is probably prepared to accept a compromise: he does not wish to propose one himself as that would be considered a victory to his opponents but he would probably yield to compromise insisted on by Entente.'

³ See Vol. X, No. 347.

not necessarily be moved from their obstinate position by mere threat of occupation of Ruhr, in spite of serious situation created for Germany. If Entente intend to issue such a threat, it should be coupled with a clear intimation that in that case no coal from Ruhr will be allowed to reach Bavaria and if practicable, a similar threat as regards Silesian coal should be added. In view however of grave objections to the occupation of the Ruhr I venture to suggest some form of economic pressure, say withholding of credits or facilities to Germany, if any such are in contemplation: that step would directly affect Bavaria, to some extent at any rate, and as well cause her to shrink from responsibility of drawing such consequences on herself and the rest of Germany.

Repeated to Berlin.

No. 564

Sir G. Buchanan¹ (Rome) to Earl Curzon (Received January 6, 10.30 a.m.)
No. 8 Telegraphic [C 351/13/18]

ROME, January 5, 1921, 9 p.m.

Your telegram No. 550.²

In telling me this morning that instructions have been sent to Italian Ambassador at Paris in the sense desired by you Minister for Foreign Affairs said that while quite understanding uneasiness of French their fears of German menace were in his opinion somewhat exaggerated. He was personally opposed to recourse to any drastic measures such as occupation of Ruhr basin as likely to be attended by serious consequences.

¹ H.M. Ambassador at Rome.

² Vol. X, No. 348. See also Nos. 560, 561, and 562.

No. 565

Letter from Lord Curzon to the Italian Minister for Foreign Affairs
[Confidential/General/363/18]

Confidential

FOREIGN OFFICE, January 5, 1921

Dear Count Sforza,

I hope you will allow me as I have done on a previous occasion to write to you confidentially on public affairs.

Yesterday in reply to an invitation from M. Leygues I telegraphed¹ to Paris that Mr. Lloyd George and I would be prepared (supposing the date to be equally acceptable to Italy and Japan) to go over there for a Supreme Council meeting on Jan. 19. 20. 21.

We shall discuss the time-honoured question of German disarmament and reparation, and I daresay shall hear something of our old friend the Ruhr!

¹ Foreign Office telegram No. 2 to Paris of January 4, not printed.

On most of these questions the points of view of your Government and mine are identical and, this being so, we ought to prevail. It has sometimes occurred to me however that Italy leaves a little too much of the fighting to Great Britain: and the Prime Minister and I have noted occasions on which we should have been glad of a little more vigorous support. Nitti² used to take a very active part, and we commonly found ourselves standing together.

If then we meet at Paris I am sure that it will be a great encouragement to us if we find that our friends the Italians are playing a conspicuous role on the right side. You will not, I feel confident, mind my saying this.

With every good wish to you for the New Year, and with many congratulations on the success that has attended you in the past,

I am,

Yours very sincerely,

CURZON OF KEDLESTON

² Italian President of the Council, 1919-20.

No. 566

Mr. Robertson¹ (Coblentz) to Earl Curzon (Received January 10)

No. 7 [C 653/66/18]

My Lord,

COBLENZ, January 6, 1921

I have the honour to report that since the speech of the German Minister of the Interior in the Reichstag, referred to in my despatch No. 548 of the 15th November, 1920,² and the subsequent visit of the German Chancellor and Minister for Foreign Affairs to the Rhineland,³ a distinct change has been noticeable in the attitude of the local officials towards the High Commission and its delegates.

As your Lordship is probably aware, the French representatives of the High Commission have always considered that they had cause to complain of the obstructive and even hostile attitude adopted towards them by the local German mayors and Administrative Officers. In the British area, on the other hand, relations have generally been friendly and correct, if not cordial. The local mayors and officials used frequently to call upon the British Kreis Representatives and discuss with them not only matters of routine, but labour, food and similar questions.

I had to-day an opportunity of seeing the majority of the British Kreis Representatives, and they all informed me that during the last few months they have received no visit from the local German authorities, who appear to hold aloof from them as far as possible. It seems that this is especially noticeable in Cologne. I, myself, and my colleagues also, have observed that trivial complaints from the Reichskommissar are becoming more and more frequent

¹ H.M. High Commissioner on the Inter-Allied Rhineland High Commission.

² Not printed, see Vol. X, No. 240, n. 2, and No. 241.

³ See No. 561, n. 4.

and that the attitude of the local authorities is growing more truculent. For some time past I have received no voluntary visit either from the German Commissioner himself or any member of his staff. While it is somewhat difficult to be precise, I think that it is my duty to report to your Lordship my conviction that the German Government are beginning to open a definite campaign not only against the High Commission but against the Occupation, in the hope of affecting public opinion in the British Empire and the United States. There can be little doubt but that the local officials are acting under direct instructions from Berlin, where the Government seem to have the settled intention of creating every possible difficulty for the occupying authorities. The High Commission has sufficient powers to deal with local officials who violate its Ordinances or decline to carry out its instructions or those of the Military Authorities, but it is very difficult to overcome passive resistance and studied discourtesy or to meet the subtle propaganda which is being carried on by the army of local officials employed, for one specious purpose or another, by the German Government.

I have, &c.,

ARNOLD ROBERTSON

No. 567

Earl Curzon to Lord Hardinge (Paris)

No. 11 Telegraphic [C 235/13/18]

FOREIGN OFFICE, *January 7, 1921*

Your telegram No. 6 of 4th January:¹ Communication of Commissions of Control with German Government.

Please inform French Government that in deference to their view we will not press for the immediate issue of instructions to the Control Commissions as regards communications to the German Government, which raise political issues without reference to the Ambassadors' Conference. We propose, however, to raise the question at the forthcoming meeting of the Supreme Council.²

Repeated to Berlin, No. 5.

¹ No. 562.

² See No. 558, n. 2.

No. 568

Record by Sir E. Crowe of a conversation with M de Fleuriau¹

[C 745/129/18]

FOREIGN OFFICE, *January 7, 1921*

Monsieur de Fleuriau spoke to me to-day on the subject of German disarmament and the forthcoming conference at Paris. He said that, whilst he had no instructions to tell me this, he thought it would be interesting to us to

¹ Counsellor in the French Embassy in London.

know that Marshal Foch,² as well as Monsieur Millerand,³ were altogether averse from proceeding to the occupation of the Ruhr at the present moment, or in fact in connection with the disarmament question. The occupation was, in their opinion, too valuable a weapon to be used for this purpose: they were anxious to reserve it for a greater occasion, and thought that such an occasion would eventually arise in connection with the question of reparation rather than that of disarmament. Monsieur de Fleuriau therefore felt confident that the path of the conference at Paris would be easy so far as this matter was concerned.

E. A. C.

² President of the Allied Military Committee of Versailles.

³ President of the French Republic.

No. 569

Lord Kilmarnock (Berlin) to Earl Curzon (Received January 8, 11 p.m.)

No. 4 Telegraphic [C 596/13/18]

BERLIN, January 8, 1921, 7.10 p.m.

My telegram[s] No. 637 and (? 638).¹

Secretary of State for Foreign Affairs² ((? as permanent) Under-Secretary of State is now called) in the course of conversation to-day told me that he feared that some misunderstanding had arisen as a result of (? remarks) made by Minister for Foreign Affairs and himself to Allied representatives with regard to disarmament question. It appeared that impression had been created in some quarters that Germany had wished to indicate to Allies that if she (? were) treated gently at Brussels³ she would produce better disarmament results. This was not the case. Argument which had been put forward was to the effect that if a crisis were forced on over disarmament it would be difficult for Germany to produce effective results in the way of reparations since, if she were not allowed sufficient force to maintain order, internal disturbances might occur which would seriously interfere with her capacity of production. There had been absolutely (? no) (? intention of) (? making) anything in the nature of a threat or of proposing a bargain, but it had been desired to (? put) (? forward) (? a) statement of fact (? calling) attention to realities of the situation. Secretary of State read to me telegram from German Ambassador in London reporting a conversation with Your Lordship,³ from which it would appear that Doctor Sthamer had carried out his instructions (paraphrase of which was forwarded to Your Lordship in my despatch No. 1371 of December 29th)⁴ very much in the sense of above explanation and had not gone nearly (? so far as Minister for Foreign Affairs) and Secretary of State for Foreign Affairs in their conversations with Allied representatives here. Some allowance should doubtless be made for clumsiness of German methods which may have produced more unfavourable

¹ Vol. X, Nos. 343 and 344 respectively.

² Herr von Haniel.

³ See No. 561.

⁴ Not printed.

impression on French Ambassador than was intended. Herr von Haniel showed me a secret report from representative of German Government in Bavaria, from which it would appear that there is little prospect of Bavarian Prime Minister yielding to pressure of (? Berlin) Government in disarmament question. Herr von Kahr⁵ appears to have been (? under the impression that) it would be useless for him to undertake any obligation as to surrender of arms by any specific date as he would not be in a position to enforce it.

⁵ Bavarian Prime Minister.

No. 570

Extract from Lord Hardinge's private letter to Lord Curzon
(Received January 25)
[C 1806/13/18]

PARIS, January 9, 1921

. . . There is another matter, namely the disarmament question, where I am rather in the dark. I enclose to you a copy of a communication made to Marshal Foch by Colonel Kisch,¹ who belongs to the Military Section

¹ This letter of January 7, addressed to the Allied Military Committee of Versailles by Colonel Kisch on behalf of the British representative on that Committee, contained the following proposals for consideration by the Committee:

‘(1) It will be remembered that the proposals of the Inter-Allied Military Commission of Control are as follows:—

“That the dissolution of all the Selbstschutz organisations might be fixed for the 1st April, 1921, the publication of the dissolution decree having to be made before 1st February; That the delivery of arms might be carried out in “Echelon” as follows:—

(a) 15 days after the notification to the German Government of the decisions come to, the surrender of all the heavy arms, and half the small arms “declared” by the organisations.

(b) Before the 1st March, 1921, the surrender of half the declared arms remaining after the above surrender.

(c) Before the 1st April, 1921, the surrender of all the remaining arms of the Selbstschutz organisations.”’

[These proposals were presented in a note of December 24, 1920, signed by General Nollet as President of the Inter-Allied Military Commission of Control at Berlin, which was transmitted to the Foreign Office in Paris despatch No. 188 of January 17, not printed. Colonel Kisch's letter continued:]

‘(2) These proposals are considered suitable with regard to all German States other than Bavaria and East Prussia, but it is held that the time-limits proposed are inadequate in the case of those two States, where the proposals of the Inter-Allied Military Commission of Control could not be executed by the German Government without the danger of serious internal disturbances.

‘(3) As regards *Bavaria*, it is none the less considered necessary to insist upon the execution of a scheme for the progressive reduction of the ‘Selbstschutz’ organisations on specified dates and the following programme is proposed:—

(a) *Dissolution*:—

That the Bavarian Einwohnerwehr, the Orgesch and other semi-military societies should be reduced to 100,000 by April 1st, 1921, to 50,000 by July 1st, 1921.

of the Peace Delegation, the day before yesterday. I only wish to point out that Kisch is one of my officials and this note containing the policy of His Majesty's Government is addressed to the Allied Commission of Versailles by him, upon instructions from the C.I.G.S.,² and practically without my knowledge. It gives the policy of His Majesty's Government, which so far has not been communicated to me. This does not seem to me to be quite right. I do not want to make a fuss or bother about it, but simply to point out that there is a distinct flaw in the system.

As for the policy contained in the Note, it strikes me that the 1st July will be a rather difficult date for the French to swallow as it practically doubles the delay to which the French are ready to agree. My own opinion is that it would be quite possible to get them to accept, without much difficulty, the 15th of May as the limit of delay: but perhaps you have fixed the 1st July with the idea of the possibility of making a compromise. I give you this as my personal opinion. . . .

(b) *Disarmament*:—

(I) That all heavy guns and all small arms except 100,000 rifles should be surrendered by April 1st, 1921.

(II) That 50,000 out of the remaining 100,000 rifles should be surrendered by July 1st, 1921.

(c) That the position be reviewed on July 1st, 1921, and that a decision be taken as to what further period of delay, if any, should be allowed.

'(4) As regards *East Prussia*, it is considered that the disarmament of the 'Selbstschutz' organisations should be postponed until the situation between Poland and Soviet Russia becomes clear, but that as soon as possible a programme of progressive reduction and disarmament should also be carried out in this State.'

These proposals contained in Colonel Kisch's letter of January 7 were discussed by the Allied Military Committee of Versailles on January 11 together with General Nollet's proposals of December 24. The latter were adopted as the recommendation of the Allied Military Committee of Versailles, the British proposals being placed on record as a minority view.

² Field-Marshal Sir Henry Wilson, Chief of the Imperial General Staff.

No. 571

Lord Kilmaurack (Berlin) to Earl Curzon (Received January 11, 11.15 a.m.)
No. 6 Telegraphic [C 809/13/18]

BERLIN, *January 10, 1921, 9.25 p.m.*

With reference to last paragraph of Lord Hardinge's telegram No. 5 which has just reached me in sections¹ I venture to express strong opinion that view of President of Council and General Nollet is over-optimistic. It is possible and indeed probable that on some of the questions affecting disarmament, Germany will give way at once before united pressure from France and England but as regards *Einwohnerwehr* in Bavaria I have very grave doubts. I believe German Government speak the truth when they say that they are not in a position to impose a (? solution) on Bavaria and I am convinced that

¹ No. 560. The sections were selections of recent telegrams and despatches circulated confidentially to H.M. Representatives abroad.

Bavarians will prove extremely obstinate in the matter. Report referred to in last paragraph of my telegram No. 4² was most categorical and I do not believe it was merely intended to impress me. Information received from most varied sources, including Left Circles, confirms idea that Bavarians are stubbornly determined to go to great lengths in resisting disarmament of a force which they consider essential for preservation of internal order and I think we should be under no illusion that it is more than probable that any threats which we may make will have to be followed up by action. (See also my telegram No. 633,³ from opinions expressed in which I see no reason to depart.)

I would ask that telegrams on this subject from Paris may be repeated to me as by the time they reach me in sections the moment when comment could be usefully made may be passed.

Repeated to Paris and Munich.

² No. 569.

³ Vol. X, No. 341.

No. 572

Mr. Seeds (Munich) to Earl Curzon (Received January 13, 12.45 p.m.)
No. 2 Telegraphic [C 969/13/18]

MUNICH, *January 11, 1921, 7 a.m.*

Berlin telegram No. 47 January 10th.¹

In reply to direct question, Bavarian Prime Minister told French Minister² a few days ago that in no circumstances would he agree to disarmament of Einwohnerwehr. I believe, nevertheless, that he would submit to a demand not involving immediate and complete disarmament, but only on condition that demand is accompanied by threats of coercion so serious that he could save his face by claiming that he was forced to yield to superior force of Entente and not to Reich or to his political opponents in Bavaria. I had a conversation today with Herr Auer³ former . . .⁴ (? in) (? Ministry) of the Interior who spontaneously expressed to me same opinion. In view, however, of Dr. von Kahr's public and private declarations, I thoroughly agree with Lord Kilmarnock's opinion⁵ that Entente must be prepared not only to make most serious threats, but also to face possible necessity for carrying them out.

Bavarian attitude is largely based on possible Russian offensive now or in early summer. I venture therefore to urge that if Entente were to confine demand to disarmament within 6 months for instance Bavarian Government would find it hard not to comply eventually supposing Bolshevik danger did not materialise.

Addressed Foreign Office 2, repeated to Berlin 3.

¹ The reference is presumably to Berlin telegram No. 6 to the Foreign Office, i.e. No. 571.

² i.e. M. E. Dard. For the appointment of a French representative of Ministerial rank at Munich, see Vol. X, No. 185.

³ First Vice-President in the Bavarian Diet.

⁴ The text is here uncertain.

⁵ See No. 571.

Memorandum respecting the Disarmament of Germany

[C 1118/13/18]*

FOREIGN OFFICE, *January 12, 1921*

Four particular questions will come before the Supreme Council next week:—

- I.—The specific failures on the part of the German Government to fulfil the disarmament clauses of the treaty and the provisions of the Spa Protocol.
- II.—The measures to be taken for securing the execution of these unfulfilled clauses in the immediate future.
- III.—The penalties, if any, to be imposed upon the German Government for their failure to meet their disarmament obligations maturing prior to the 1st January, 1921.
- IV.—The means by which the German Government can be induced to take the measures mentioned in II above.

Question I is a matter primarily for the military experts.¹ Questions II, III and IV involve political considerations.

¹ The Allied Military Committee of Versailles had submitted a report dated December 28, 1920, to the Conference of Ambassadors (see Vol. X, No. 352). On January 21, 1921, the War Office transmitted to the Foreign Office a Memorandum on the Execution by Germany of the Military Articles of the Peace Treaty of Versailles, dated January 15, not printed. An advanced proof of this Memorandum had been received in the Foreign Office on January 13. This Memorandum follows closely that of November 5, 1920 (see Vol. X, No. 312), the tables and figures being brought up to date. The conclusions drawn in the Memorandum of January 15 (III—General Summary) run as follows:

- '1. The surrender and destruction of arms in Germany, with the exception of those held by the *Einwohnerwehr* and other armed organizations (*i.e.*, rifles and, to a certain extent, machine guns) are proceeding satisfactorily and are nearing completion as regards the main items (guns, machine guns and rifles).
- '2. The German Army has been reduced to the Treaty Establishment; the force is voluntarily enlisted, and Germany has been deprived of the power of building up a large potential reserve by means of a short service army.
- '3. Germany has ceased to be a military danger to the Allies for a considerable period of time.

Her power of preparing a National Army, capable of tremendous expansion at the outbreak of war, has been removed; the guns essential for the armament of such a National Army have been destroyed.

- '4. The German Government has, in the main, carried out the military clauses of the Treaty, as far as lay in its power, and has worked loyally with the Commission of Control, in spite of obstruction by subordinate military authorities.

General Bingham reports that he considers the Inter-Allied Military Commission of Control can be reduced by about 50 per cent. at the end of March, 1921.

- '5. The only real violation of the military clauses of the Treaty is the failure to disband and disarm the *Orgesch*, and the Bavarian, Württemberg, and East Prussian *Einwohnerwehren*.

As regards this question, it is considered that the German Government is not strong enough to carry out the immediate disbandment and disarmament of these

I.—*The Failure of the German Government to fulfil their Obligations*

The provisions of the Spa disarmament protocol were intended by the Allied Governments primarily to secure the execution of those military clauses of the treaty which were deemed to be vital in order 'to provide exhaustively both for the immediate disarmament of Germany and for the limitation of the strength and power of expansion of the German army in the future.'

organizations, the regular armed forces having already been reduced, in accordance with the terms of the Treaty and of the Spa Conference.

- '6. In general, therefore, the execution by the German Government of the military clauses of the Treaty has been satisfactory, and the main object of these clauses has been attained, *i.e.*, the removal of the menace of German aggression, at all events for a considerable period.

'*General review of the present situation.*—Expert military opinion has always regarded the effective disarmament of Germany, and the destruction of all surplus war material, as the main essential in rendering Germany incapable of further aggressive action against the Allies, rather than the reduction of the German standing Army. For years to come Germany will have millions of trained men at her disposal, but cannot form an Army of these, unless she possesses the necessary war material.

'The figures given above (paragraph II. (a) 2), which only deal with the most important types of arms and ammunition, and do not include war stores and equipment, show what an enormous task the Armaments Sub-Commission of the Military Commission of Control have had to carry out. During the last six months the destruction of guns and war material of every description has made considerable progress, and, although much remains to be done, the work has undoubtedly proceeded sufficiently far to render Germany incapable of waging an offensive campaign against the Allies for some time to come. In general, the German Government has shown good faith in its methods of dealing with this extremely important matter, and the surrender and destruction of arms, ammunition and all kinds of war material, have been speeded up in a satisfactory way since the Spa Conference last July. [A note in the original here read:

"In order to obtain a clear idea of the situation, it is of interest to study the figures of the surrender and destruction of German guns in relation to the artillery required for an army in the field.

In March, 1918, Germany had 242 divisions in the field, and it is estimated that she had at this time approximately 13,000 field guns and howitzers (including light artillery, *i.e.*, 3·7-cm. guns, &c.), and 9,000 heavy guns and howitzers, in the field on all fronts. To these we should add some 3,000 anti-aircraft guns. We thus get a total of approximately 25,000 guns and howitzers of all kinds, *i.e.*, roughly 100 per division, including divisional, corps, army and independent artillery, as well as the anti-aircraft service.

In order to keep up this strength, it may be assumed that a reserve of some 15 per cent. to 20 per cent. would be available, with 10 per cent. undergoing repair (after a comparatively quiet winter), whilst some 25 per cent. more would be under construction to replace wastage in the field. On these lines the approximate total number of German guns available in the field, in reserve, undergoing repair, and under construction would be—

In the field	.	.	.	.	25,000 (probably an outside estimate)
In reserve	.	.	.	.	4,500
Undergoing repair	.	.	.	.	2,500
Under construction	.	.	.	.	6,000
Total	.	.	.	.	<u>38,000</u>

At this rate the number required, per division, for a modern army in the field, would work out at about 160 in the most favourable conditions, *i.e.*, with arsenals, factories, &c., at their highest rate of production.

In addition, therefore, to certain minor points in regard to the execution of which difficulties had arisen, the Spa Protocol provided in the main for—

1. The surrender of all arms and war material in excess of the quantities stipulated by the treaty.
2. The reduction of the army to 100,000 men.
3. The abolition of the short-service army.
4. The abolition of compulsory service.

The undoubted progress made by the German Government since the Spa Conference in the fulfilment of the last three of these primary provisions is not seriously challenged by any military authority. It is the breach of the first provision implied in the failure to disarm and, to a lesser degree, to disband the voluntary self-defence association throughout Germany, and more especially in Bavaria and East Prussia, which is now the capital charge against the German Government.

‘Ignoring those [the] clauses of the Treaty,’ asserts the report of the Inter-Allied Military Committee of Versailles of the 30th December, 1920,² ‘the execution of which are in progress, and those clauses which the Commission of Control seem[s] able to have executed at an early date,’ the German Government, ‘in refusing to dissolve the *Selbs[ts]chutz* organisations and in

Between 18th July, 1918 and 11th November, 1918, the Allies captured 6,615 guns, and under the terms of the Armistice 5,000 serviceable guns were surrendered by the Germans.

Since 1st January, 1920, the Commission of Control have accounted for no less than 36,800 guns, including 6,000 under construction—thus making a total of over 48,000 guns accounted for since 18th July, 1918.”]

‘With regard to the reduction of the Regular Army to 100,000 men, the abolition of universal compulsory military service and demilitarisation of the police force, certain points remain to be enforced by the Commission of Control.

‘There remains the question of the *Einwohnerwehren*, *Orgesch* and similar unauthorized formations. In view of the Bolshevik menace on Germany’s eastern frontier, and the Communist agitation in the country, especially in North Germany, it is not unnatural that the loyal and law-abiding majority of the German people should desire to guarantee their security by banding themselves together in local defensive organizations, in order to make up for the weakness of the Regular Army, and to meet the real danger of anarchy and Bolshevism. Nor is it unnatural that the anxiety to maintain such armaments, and to give them adequate arms, *e.g.*, the proportion of rifles and machine guns, should be strongest in East Prussia, which is nearest to Soviet Russia, and in Bavaria, which has experienced some of the horrors of Bolshevism. Although these organizations present no immediate danger, and although their present object may be the preservation of law and order in Germany, there is no doubt as to the absolute necessity for their ultimate suppression. If allowed to continue indefinitely they may become a real military danger by forming the basis of a national army, and by constituting an aid to possible future mobilization. The statutes of these societies are indeed well adapted to maintain the spirit of military discipline throughout the country, and it is of supreme importance to prevent Germany from repeating Prussia’s tactics of 1806–1813.

‘It is, therefore, imperative to fix a time limit for the disarmament, disbandment, and total abolition of all unauthorized military or semi-military forces or societies in Germany. The Paris Conference is faced with the necessity of ensuring the above, while, at the same time, enabling the German Federal Government to safeguard the interests of the law-abiding population in Germany during an exceptionally difficult period.’

² This report is printed as Enclosure 2 in Vol. X, No. 352.

trying to justify their maintenance, and in refusing likewise to proceed with disarming a portion of these organisations,' is opposing 'both the spirit and the letter of the treaty and the explicit decisions taken by the Allied Governments.'

As regards the failure of the German Government to fulfil its obligations, therefore, the discussions at the forthcoming Supreme Council will centre around the question of the disarmament and disbandment of the *Selbs[ts]chutz* organisations—

- (a) In North and Central Germany.
- (b) In East Prussia.
- (c) In Bavaria.

(a) *In North and Central Germany*

The German Government consider that the disarmament of these organisations will be complete by the end of February. They claim, however, in direct contradiction to the view of the Commission of Control (who hold that such organisations are prohibited under articles 177 and 178 of the treaty), that the disbandment of these organisations does not come within the scope of the treaty. They assert that disbandment is a matter entirely of internal German politics, and that, whilst 'the interest of the State' makes it urgent to dispense with these organisations as soon as possible, the existence of organisations of this character is not surprising in the present 'abnormal state of affairs.'³

(b) *In East Prussia*

Here the *Selbs[ts]chutz* organisations came into being largely in virtue of the proclamation of the Governor of East Prussia issued on the 7th August, 1920, at the time that the Russian and Polish armies were fighting in the neighbourhood of the East Prussian frontiers.⁴ Under this proclamation the Governor was empowered to raise two bodies, composed of the local inhabitants and known as the *Grenzwehr* and *Ortswehr*, to preserve order in circumstances of extreme danger, and in the event of the local police and *Reichswehr* being found inadequate. Under this proclamation a force of some 3,000 men was actually raised at the end of August, but was disbanded again early in October. The proclamation is, however, still in force, and the arms necessary to equip the forces thereby provided for are still in the hands of the local authorities and of the local inhabitants.

(c) *In Bavaria*

The *Selbs[ts]chutz* or *Einwohnerwehr* organisation was created here during the spring of 1919, after the Communist rising in Munich, and is ostensibly intended to guard against a repetition of a similar outbreak. The force was stated recently by the Bavarian Prime Minister to consist of over 300,000 men and to possess 190,000 rifles, 3,000 machine guns and some 80 light guns and *Minenwerfer*.⁵

³ See Nos. 561 and 569.

⁴ See Vol. X, Nos. 271, 272, 274, 295, and 298.

⁵ See Vol. X, No. 347, p. 475.

The Commission of Control point out that in face of the organisation of a force of this character and size in liaison, as it is, with the Ministry of War, the Communist vote in Munich at the last general election amounted only to some 51,000, and that to guard against the danger of a Communist rising the Bavarian Government has already a force of regular troops and police available, estimated by the Bavarian Government on the one hand at some 21,000 men and by the Commission of Control at some 40,000.⁶

The German and Bavarian Governments in reply point to the scattered nature of the Bavarian population and to the fact that, with a total population of 7,000,000, Bavaria contains 42,600 villages and some 17,000 isolated farms. With such a population the Bavarian Government assert that before they can disarm and disband the Einwohnerwehr the revolutionary element must itself be disarmed.⁷

II.—*The Measures necessary for the Execution of the unfulfilled Disarmament Clauses*

Subject to the opinion of the General Staff it is suggested that the policy to be pursued with regard to the Selbst[s]chutz organisations should be as follows:—

(a) *In North and Central Germany*

1. As regards disarmament, as foreshadowed in the Cabinet decision of the 30th December, 1920,⁸ the date proposed by the German Government for the completion of disarmament, viz., the 28th February, 1921, might be accepted.

2. As regards disbandment, in return for the above concession the German Government might be required as a preliminary measure to place all these voluntary organisations at once under the control of some civilian Government department, and, provided that no further revolutionary upheavals occur, to give some definite date for final disbandment.

(b) *In East Prussia*

As foreshadowed in the Cabinet decision of the 30th December, 1920, disarmament and the repeal of the proclamation of the 7th August, 1920 (*i.e.*, disbandment), might be made contingent upon the conclusion of hostilities between Russia and Poland and in the Baltic States.

(c) *In Bavaria*

The Bavarian Prime Minister's recent statement to Lord D'Abernon⁹

⁶ In a note of December 11, 1920, General Nollet, replying to the German Government on the subject of the dissolution of the Einwohnerwehr, stated: 'Si le nombre des communistes s'élève en Bavière à environ 50,000 (et tous parmi eux ne sont vraisemblablement pas des militants), les forces régulières s'y montent elles mêmes à près de 40,000 Hommes d'après les prévisions mêmes du Gouvernement allemand.' (See Vol. X, No. 334, n. 1.)

⁷ Cf. Nos. 571 and 572.

⁸ See No. 560, n. 5.

⁹ In Berlin despatch No. 1204 of November 25, 1920, not printed, Lord D'Abernon reported the statement made to him by Herr von Kahr in an interview that day (see Vol. X, No. 325, n. 2). For a summary of this conversation see D'Abernon, vol. i, pp. 94-95.

might be made the basis of a compromise by which, as a preliminary measure, a date for the surrender of the light guns and machine guns allotted to the Einwohnerwehr might be fixed. Subject to no further revolutionary upheavals occurring, it might be arranged that the disarmament of the Einwohnerwehr should, in the words of the Bavarian Prime Minister, 'be the reverse of its arming, and begin in the quieter places and neighbourhoods and end in the centres of unrest.' Dates might be fixed on these lines.

III.—*The Question of Penalties*

In addition to discussing the details of disarmament, the Supreme Council will presumably be faced with a demand for the imposition upon Germany of some penalty for her failure to fulfil the military clauses of the treaty and the provisions of the Spa Protocol.

The objections to the occupation of further German territory have been frequently argued. They are in the main—

- (a) The immediate expense to the Allied Governments.
- (b) The resulting continuance of unrest in Germany, and the consequent added danger of fresh outbreaks engineered either from the Right or the Left.
- (c) The diminished chances of reparation.

For similar reasons the reimposition of the blockade is out of the question. There are further no credits due to Germany beyond those provided under the Spa Coal Protocol¹⁰ (now about to expire), which could be withheld as an inducement to Germany to disarm.

The only penalty which will not itself react unfavourably and immediately on the interests of the Allied Powers appears to be an adaptation of that which has already been suggested by Lord Kilmarnock, viz., the extension by two years of the period of the occupation of the Cologne bridgehead.¹¹ As has been pointed out, the very suitability of this penalty is the fact that its effects are not immediate, and that it has none of the evil possibilities of further occupations of German territory or of the reimposition of the blockade.

It possesses the additional advantage that it might be used as part of a general compromise with the German Government on the disarmament question. Thus, in the fresh agreements which will have to be reached between the Allied Governments and the German Government in regard to disarmament, it might be provided that complete execution by the German Government of their obligations, by the dates specified in these agreements, would entail the removal of this penalty, or rather its non-operation.

¹⁰ The Spa Protocol respecting coal is printed as document 194 in Cmd. 1325 of 1921; see also Vol. VIII, No. 77, Appendix I.

¹¹ See Vol. X, No. 345. In the original draft, as in Lord Kilmarnock's despatch, it had been suggested that the Cologne bridgehead should be occupied for a further year and the Coblenz bridgehead for a further two years. The amendment given here was suggested by Colonel Twiss of the War Office.

IV.—*The Means by which the Measures advocated in II are to become binding on the German Government*

The experience of the last six months has shown that Allied decisions taken without German co-operation only add to the difficulties of the situation. The abortive Spa Protocol relative to the execution of certain aeronautical clauses of the treaty,¹² the difficulties which have arisen over the question of the compensation for the military Zeppelins destroyed by the German Government in the summer of 1919,¹³ and the unfulfilled provisions of the Boulogne note of the 22nd June¹⁴ itself illustrate this fact only too clearly. It is submitted that the present situation can only be liquidated by the conclusion of some fresh agreement between the Allied Governments and the German Government on the lines of the Spa Protocol. At the same time it is unnecessary to conclude that a further conference of heads of Governments upon the lines of the Spa Conference is thereby rendered imperative.

If at the forthcoming Supreme Council a common Inter-Allied policy as regards disarmament can be manufactured, the conclusion of the necessary arrangement with the representatives of the German Government might well be left to the principal Allied Ambassadors at Berlin, assisted by their military, naval and aeronautical advisers.¹⁵

¹² For this Protocol see document 190 of Cmd. 1325 and Vol. VIII, Nos. 50–51; for subsequent negotiations see Vol. X, Chap. IV, *passim*, particularly Nos. 280, 307.

¹³ See Vol. X, Nos. 53, § 7 of enclosure, and 102; see also *ibid.*, Nos. 286, 292, and 295.

¹⁴ For this agreement see document 166 in Cmd. 1325 and Vol. VIII, No. 33, minute 5 and appendix 2, and No. 36, minute 1; see also Vol. X, Chap. IV, *passim*.

¹⁵ Sir E. Crowe commented: 'I agree generally. I doubt however whether the French would consent to such an agreement with Germany being negotiated by the ambassadors at Berlin. They are likely to insist on any agreement being concluded at Paris and at once.'

'There is one point on which we might obtain a concession from Germany in return for compromising on the disarmament in Bavaria & East Prussia: Lord D'Abernon has more than once suggested to me [see, for example, Vol. X, No. 317] that when once the Military Control Commission has finished its work under the treaty, and been withdrawn, the allies will suffer from having lost all power of supervision over militarist activities in Germany. The question is whether we could not, in return for leniency on the disarmament question now, get some arrangement by which Germany consents to prolong in some form the authority of the Control Commission. We might perhaps put this point to the War Office for consideration. If they concur, they might direct General Sackville West [British Military Representative on the Allied Military Committee of Versailles] to raise the question in the Versailles Military Committee, who would then report to the Supreme Council.'

Sir E. Crowe's suggestion and also the contents of the memorandum were discussed by the Foreign Office with representatives of the War Office, Admiralty, and Air Ministry. Mr. Wigram minuted on January 18: 'All the departments consulted agreed that it was most desirable to attempt, at the forthcoming meeting of the Supreme Council, to liquidate altogether all outstanding obligations in the matter of disarmament', and to discuss 'the possibility of the acceptance by the German Government of the continuance of some small nucleus of the Commissions of Control'. These discussions were followed by a formal meeting on January 19 when it was unanimously agreed by the representatives of the four departments that 'it was desirable that the Supreme Council should obtain the concurrence of the German Government in the measures now to be taken by Germany finally to liquidate her obligations in the matter of disarmament'. A rough draft, prepared in the Foreign Office, of the proposed agreement with Germany, not printed, was at this meeting discussed and revised.

No. 574

Earl Curzon to Lord Hardinge (Paris)

No. 30 Telegraphic [C 1161/386/18]

Urgent

FOREIGN OFFICE, *January 15, 1921, 9.30 a.m.*

It appears to His Majesty's Government practically impossible to expect that any French Ministry even if formed within the next few days will be ready by January 19th to receive the allied representatives in conference.¹ In view of the existing unsettled feeling throughout Europe His Majesty's Government consider it essential that on this occasion the Supreme Council should arrive at definite and comprehensive decisions in regard to a great variety of subjects; among these will be German disarmament; Reparations; Austrian Relief; Greece; and the Turkish Treaty. It would be useless to attempt a thorough discussion of these matters in the first days of a newly formed government which could hardly have had time to present, or even to form considered views.

His Majesty's Government therefore propose a postponement of the date of meeting of the conference, but will be prepared, if the French Government approve, to come over on January 23rd with a view to commencing discussions on 24th and continuing them throughout so much of that week as may be found necessary.

Please communicate with the Quai d'Orsay accordingly.

¹ M. Leygues had resigned on January 12, and a new Ministry was not formed by M. Briand until January 16.

No. 575

*Air Ministry Memorandum on German Disarmament as regards Aviation
communicated to the Foreign Office on January 17*

[C 1503/47/18]

Material

AIR MINISTRY, *January 6, 1921*

Up to the present 16 Airships, 15,056 aeroplanes and seaplanes and 25,276 engines have been either surrendered or destroyed. These figures are estimated by the Inter-Allied Aeronautical Commission of Control to represent all the Airships, about 90% of the aeroplanes and seaplanes and about 92% of the engines to be handed over by Germany.

At the time of the Armistice our own estimate, computed on a liberal basis, assessed the German Air Forces at about 18,000 aeroplanes and seaplanes and 35,000 engines. In addition to the material surrendered and destroyed 1500 aeroplanes and 3000 engines are estimated to have been exported to neutral countries, so that at the outside there cannot be more than 1,444 aeroplanes and seaplanes and 6,724 engines unaccounted for.

The disarmament of the Naval Military, and Police Air Forces is, however, complete.

Exportation and concealment of aeronautical material

The German Government have paid to the Allies as an indemnity for aircraft that has [*sic*] been exported, 50 million marks, but are unwilling to pay a further sum of 25 million marks which has been demanded of them by the President of the Inter-Allied Aeronautical Commission of Control.

Owing to the mobility of aeroplanes and the facility with which engines and aircraft accessories can be concealed, it is exceedingly easy for the opponents of the Government to elude the vigilance of officials. Consequently, it is most difficult to assess the exact extent of the Government's responsibility in the matter of concealed and exported material.

The Government have passed laws enacting heavy punishments on those found guilty of concealing or disposing of aeronautical material, but the quantity hitherto surrendered by the inhabitants has been small, though a certain amount has been discovered by the Commission of Control.

Sheds

The date for the completion of surrender and destruction of sheds and hangars has, by order of the Council of Ambassadors, been deferred to 15th May, 1921. One-fifth of the aeroplane sheds have already been dismantled.

Balloons

The German Government were guilty of considerable delay in forwarding lists of balloon material. These have now been received and progress is being made with the necessary surrender and destruction.

Wireless and Photographic Equipment

A quantity of this material still remains to be delivered.

Hydrogen Plant

Slow progress has been made with the delivery of this material.

Armament

Five thousand machine-guns have been delivered. This represents but a proportion of the machine-guns which were used with aircraft.

Manufacture

Cases have arisen where German firms have manufactured machines and engines in defiance of the prohibition.

The German Government have refused¹ to accept the decision taken at Boulogne on 22nd June, 1920,² to the effect that manufacture of aircraft was prohibited until a period of three months had elapsed after the delivery of the last war machine. The German Government claim that such prohibition cannot be legally upheld.

The German Government have undoubtedly become less submissive lately in the matter of the fulfilment of the Air clauses. This attitude can, however,

¹ See Vol. X, No. 352, enclosure 3.

² See Vol. VIII, No. 36, minute 3.

be attributed more to the pressure which is being exerted on them by the aircraft industry than to defiance of the Allies.

Isolated cases of flying in the neutral zone and to countries outside Germany has [*sic*] been carried out contrary to orders, resulting in the confiscation of the machines.

Conclusions

The aerial disarmament of Germany may be regarded as virtually accomplished and whatever material may be still concealed cannot be regarded as constituting a menace to the Allies. It is of old design and must have depreciated greatly in value. Some of this material is believed to be in the possession of the Extremists, over whom the Government have but little control, and in East Prussia.

No. 576

*Earl Curzon to Sir R. Graham*¹ (*The Hague*)

No. 7 Telegraphic [C 1346/1346/18]

Urgent

FOREIGN OFFICE, *January 20, 1921, 5.10 p.m.*

Your telegram No. 7 (of January 18th.)²

It would be altogether undesirable that the ex-Empress should be buried at Potsdam as this could only lead to political demonstrations of an embarrassing character. Still less could we agree to the ex-Emperor and the Crown Prince proceeding to Potsdam. His Majesty's Government feel sure that their allies will take the same view, and are consulting them.

Repeated to Paris No. 36, Rome No. 22 and Brussels No. 13.

¹ H.M. Ambassador at The Hague.

² Not printed. In this telegram Sir R. Graham reported: 'Death of German ex-Empress may occur at any moment. I have been sounded privately by Dutch General Staff as to whether if Her Majesty were to be buried at Potsdam and former Emperor and Crown Prince desired to attend funeral we should object.'

No. 577

Memorandum by Mr. Waterlow respecting German disarmament

[C 1805/13/18]

FOREIGN OFFICE, *January 20, 1921*

1. It is submitted that the time has now come to bring pressure on the French Government to reverse, or rather to supplement, the present policy of the allies towards Germany. The French (and the psychological reasons are obvious) are incapable of adopting any other method than that of threats and blows. Although all the indications are that this method is proving as unproductive of permanent good results as it would be if applied to a bad-

tempered, sulky and malignant child, yet we are tied to the French chariot wheels. Not merely does it seem worth while, but it may be plausibly argued that it is vital to the peace and recovery of Europe, that the penal method should be, if not replaced, at least modified by some system of good-conduct prizes. This has been strongly urged by Lord Kilmarnock,¹ and it is understood that Lord D'Abernon is of the same opinion. This might take the form of an assurance to the Germans that the allied Governments are anxious and willing to reduce the period of occupation in proportion to the extent to which Germany carries out her disarmament obligations.

The difficulty of imposing any such policy as this on the French, especially at the present moment, is obvious. On the other hand, the dangers involved in continuing to drift at the heels of the French are very great.

2. Another important question bound up with the present discussions as to disarmament is this. Can any check or control be maintained over the execution of Germany's disarmament obligations when the control commissions have disappeared? The War Office, the Admiralty and the Air Ministry all hold strongly that the prolonged maintenance of the control commissions is open to the gravest possible objection, and from the political point of view there can be no doubt that this is right. It is therefore desirable that the Paris conference should consider whether article 213 of the treaty gives us all the security required. Under that article Germany is bound to give facilities for any investigation which the Council of the League of Nations may consider necessary. If no machinery other than that contemplated by this article be thought to be required, early arrangements should be made to bring the Council of the League into activity in this respect.

S. P. WATERLOW

¹ In his despatch No. 1314 of December 20, 1920, not printed. This despatch ran as follows: 'Might it not be possible to work out some scheme on these lines—a sort of Borstal system for Germany. The following suggestions occur to me:—

'That a definite promise should be given to Germany that certain alleviations would be granted to her at the end of, say, every six months provided that the Allies were satisfied that during that period she had fulfilled her obligations. These alleviations might take the form of—

'1. Reduction of the term of occupation by the Allied armies.

'2. Reduction of the size of the armies.

'Thus for every six months of satisfactory behaviour, the term of occupation might be reduced by, say, one year and the size of the armies by, say, one-tenth. This after all is only an extension of the principle contained in article 451 of the Treaty of Versailles.'

No. 578

Sir R. Graham (The Hague) to Earl Curzon (Received January 21, 7 p.m.)

No. 9 Telegraphic [C 1565/1346/18]

THE HAGUE, *January 21, 1921, 3.36 p.m.*

The Press here has lately been full of stories of activities of ex-Crown Prince, his communications with Germany etc.

They are evidently much exaggerated, but I spoke to Monsieur de Karnebeek¹ on the subject.

His Excellency assured me that it was a Press campaign of Jewish and anti-Monarchical origin and that there was nothing in it.

French Minister tells me that he has been instructed to address an enquiry to Netherlands Government as to efficacy of their measures for proper internment and guarding of ex-Emperor and ex-Crown Prince.

As regards ex-Empress² I think it is best to leave Dutch Government to bear full weight of responsibility that they have assumed. I believe they recognise their obligations and are fulfilling them.

But position in regard to late Crown Prince is not as clear. Netherlands Government have not admitted similar obligations in his case. The only communication to them about him was that made by Supreme Council in June 1919 and their reply was non-committal.³

In a letter to Foreign Office of July 24th last⁴ I pointed out that it would not be possible to keep ex-Crown Prince in such a place as Weiringen for any length of time. It might be desirable to clear up whole question.

¹ Netherlands Minister for Foreign Affairs.

² In his telegram No. 11 of January 28, not printed, Sir R. Graham corrected this word to read 'Ex-Emperor'.

³ See Vol. V, Nos. 4 and 15.

⁴ This letter, not printed, was addressed to Lord Hardinge (then Permanent Under-Secretary of State for Foreign Affairs).

No. 579

Sir G. Grahame (Brussels) to Earl Curzon (Received January 22, 10 a.m.)
No. 17 Telegraphic [C 1572/1346/18]

BRUSSELS, *January 21, 1921, 7.30 p.m.*

Your Lordship's telegram No. 15 of January 20th.¹

Minister for Foreign Affairs entirely agrees that Allies could not agree to ex-Emperor and Crown Prince proceeding to Potsdam.

His Excellency hesitated somewhat as regards forbidding burial of ex-Empress at Potsdam. He realizes however desirability of avoiding political demonstrations for Germany has need above all of internal peace.

It is somewhat repugnant to him to prohibit burial of ex-Empress at Potsdam in Germany where some of her children are. He imagines, however, that if ex-Emperor and Crown Prince cannot go to funeral that they would bury Her Majesty in Holland and that perhaps at a later date her remains would be transferred to Germany.

¹ Not printed. This telegram, addressed as No. 38 to Paris, No. 24 to Rome, and No. 15 to Brussels, referred to No. 576 and instructed H.M. Representatives at these places to consult the Governments to which they were accredited.

No. 580

Lord Hardinge (Paris) to Earl Curzon (Received January 22, 8 a.m.)

No. 46 Telegraphic [C 1566/1346/18]

PARIS, January 21, 1921, 8.35 p.m.

Your Lordship's telegram No. 38 of yesterday.¹

The French Government entirely share views contained in your telegram No. 7 to the Hague.²

I was informed at the same time that French Government had sent instructions to their Minister at the Hague to warn Dutch Government that, having heard rumours of activity amongst circles surrounding ex-Kaiser at Doorn, they hold them responsible for safe-keeping of ex-Kaiser as also of Crown Prince.³

¹ See No. 579, n. 1.

² No. 576.

³ In Rome telegram No. 24 of January 24, not printed, Sir G. Buchanan stated: 'Italian Government inform me that they entirely share views of His Majesty's Government.'

No. 581

Lord Kilnarnock (Berlin) to Earl Curzon¹ (Received January 31)

No. 164 [C 2153/13/18]

BERLIN, January 25, 1921

My Lord,

I have the honour to transmit to your Lordship herewith copies of intelligence notes,² supplied to me by the Armaments Sub-Commission [of the Inter-Allied Military Commission of Control at Berlin], on the subject of disarmament in East Prussia and the organisation of the new German police force.

The chief interest in the note with regard to disarmament in East Prussia lies in the incident recorded as having taken place at Königsberg, where the officers of the Control Commission broke into a fort and ascertained that there were therein, not only fifty cases of optical instruments, but also cases containing five 'Gastwehr' machine-guns, and that, on returning to the fort on the following day, it was found that the material had been confiscated by the 'Erfassungs-Abteilung des Reichsschatz-ministeriums.'³

This Government Department has been created with the ostensible object of assisting in the work of disarmament, but it is obvious that its activities can be, and are in effect being, used with the object of evading compliance with the conditions imposed by the Disarmament Commission.

¹ Sir E. Crowe was in charge of the Foreign Office during Lord Curzon's absence in Paris for the meeting of the Supreme Council held on January 24-29. (For the minutes of this Conference see Vol. XV, Chap. I.)

² Not printed.

³ The Requisition Department of the Treasury.

In so far as the organisation of the new police is concerned, it will be observed that its effect is to increase the number of uniformed police by 30,000 men, and to allow likewise very substantial increases in the plain-clothes police, which might conceivably be transformed into a fighting force should occasion arise.⁴ In spite of this evidence, however, that attempts have been made to increase the public [*sic*] force at the disposal of the Government, and to preserve a certain proportion of equipment for use in case of necessity, I see no reason to differ from the opinion, which I understand is entertained by the British military authorities, that the disarmament of Germany has been such as effectually to accomplish the aims of the *Entente* Powers, and that the organisation of the police is not such as to cause any great apprehensions from the *Entente* point of view. The only question to be considered appears to me to be as to whether Germany is now, or will in the near future be, in a position to attempt an aggression on the lines of that initiated in 1914. This question must not be confused with the problem as to whether that which appears to be an evasion of the stipulations of strict disarmament is not, in fact, a necessity to this country from the point of view of internal security and protection against possible attack from other quarters. It is quite impossible to ensure, by any means whatsoever, that a country of 58,000,000 inhabitants shall, in the year 1921, be placed for ever in such a position that it will not ultimately entertain schemes of foreign aggression, unless the Powers who desire to attain this end should themselves take over the administration of that country. All that can be done is to make sudden aggression impossible in the near future by removing now the instruments by which alone such aggression could be successful, and this would appear to have been attained, quite apart from the fact that, war being not merely a matter of material force, but being also dependent upon other considerations such as finance and the spirit of the population, war on a large scale by Germany will be, for some time to come, quite outside the realm of practical possibilities.

For the more distant future the only possible guarantee is a change in the spirit of Germany, and of this there is at present lamentably little evidence. Indeed, it would appear that the propaganda which is being carried on in the schools is all in the sense of a future war of revenge. This tendency is intensified by such incidents as the occupation of Frankfurt by the French⁵ and the employment of coloured troops for purposes of this kind. Indignities

⁴ The intelligence notes (see n. 2) had stated that in 1920 up to the date of the Boulogne Note the establishment had been made up of 90,000 Old Police (of which 30,000 were Plain Clothes Police) and 60,000 Sicherheitspolizei, making a total of 150,000. The New Police, reorganized as a result of the Boulogne Note, comprised three distinct categories—Uniformed Police, Criminal Police, and Administrative Police. The last two categories were plain clothes police and carried out the duties of the Old Plain Clothes Police and part of the duties of the Old Uniformed Police. The Uniformed Police and the Plain Clothes Police had each been reinforced by the Old State Police. The numbers of the Uniformed Police had been brought up to 150,000 while the 30,000 Plain Clothes Police had been increased by percentages ranging from 25 per cent. (in Hesse) to 71 per cent. (in Baden).

⁵ On April 6, 1920. See Vol. IX, Chap. IV, *passim*.

of this nature have done more than anything else to foster a spirit of resentment, which can only increase the dangers of the future by welding all classes together in a common feeling of undying hatred.

In short, it appears to me to be so evident that Germany, even with such evasions of strict compliance with disarmament stipulations as have been discovered, is not at present in a position, with no allies, no navy, and practically no finance, to wage war now or in the near future against the *Entente* Powers that I think it may safely be assumed, in considering the best policy to be pursued, that these attempts to maintain armed forces in greater numbers than are legally permissible are due in great part to a genuine desire to guard against internal disorders and to a not unnatural policy of defence against external dangers.⁶

With regard to this desire, I have already indicated my views and expressed some remarks as to the effect on internal events of the existence of these forces in my despatch No. 69 of the 11th January.⁷

In connection with the question of external defence, the further consideration arises—in shaping a policy which must naturally provide for the future as well as care for the present—that it is not impossible that at some future date we shall require some form of organisation in Germany which can be made answerable, in our interests, for maintaining a certain amount of stability in Central Europe.

I have, &c.,
KILMARNOCK

⁶ Sir E. Crowe minuted in the margin: 'This is rather illogical. It is certainly not as it purports to be a short summary of the preceding argument.'

⁷ Not printed.

No. 582

Sir R. Graham (The Hague) to Earl Curzon (Received January 26, 10 p.m.)
No. 10 Telegraphic [1916/1346/18]

THE HAGUE, *January 26, 1921, 4.30 p.m.*

Your telegram No. 7 of January 20th.¹

As ex-Empress, although she may linger for some time, is more likely to die at any moment I thought it desirable to address warning to Netherlands Government at once.

A good opportunity occurred yesterday evening. I asked Minister for Foreign Affairs for information regarding report that she would be buried at Potsdam and that ex-Emperor and ex-Crown Prince desired to attend funeral and I spoke to him in the sense of Your Lordship's telegram under reply.

Monsieur de Karnebeek answered that he had no information on the subject at all. I fear His Excellency was economising the truth as according to good private intelligence (? I have) from Doorn all arrangements have been made for interment at Potsdam. Minister for Foreign Affairs continued

¹ No. 576.

that, if ex-Kaiserin, whose patient dignity under misfortune had aroused general sympathy here, expressed dying wish to be buried at Potsdam, it would be a political mistake to refuse and Netherlands Government could not incur odium of doing so. But question of ex-Emperor and ex-Crown Prince attending funeral was altogether different and His Excellency was in full agreement that this was very undesirable.

In the first instance he thought it extremely unlikely that German Government would grant permission. In the second he could positively assure me that ex-Emperor had abandoned all idea of ever entering Germany again during his life-time. Until comparatively recently late Emperor had cherished hope of returning to Germany later on and of ending his days there.

He had charged an intimate friend to sound German opinion on the subject. This friend had recently visited him in presence of a Dutch officer and had bluntly told him and had explained situation to him, that there could never be any question of it.

The ex-Emperor had been greatly overcome, had buried his head in his hands and had exclaimed '(? At last) I understand'.

There is evidently no danger of ex-Emperor applying to attend funeral at Potsdam. But as regards Crown Prince Monsieur de Karnebeek was much less explicit and I could get nothing definite out of him.

I should say that His Excellency while agreeing in our view hopes that German Government will relieve him of onus of refusing application of Crown Prince if he makes one.

No. 583

Earl Curzon to Sir G. Buchanan (Rome)

No. 81 [C 1673/386/18]

FOREIGN OFFICE, *January 26, 1921*

Sir,

The Italian Ambassador called here on January 20th, and stated that he had been instructed to proceed to Paris and be in attendance on the Supreme Council during its meeting there.

2. In discussing the matters likely to come before the Conference he said that the latest reports which he had received from the Italian financial experts in Paris gave good hope of an understanding concerning reparations, which would be acceptable to all parties. He was unable to explain exactly what the proposal was and was informed that His Majesty's Government too were awaiting a report from His Majesty's Ambassador at Berlin. He agreed that though the French Government appear to attach great importance to absolute secrecy about the reparation arrangement, to keep such matters secret would be contrary to the general experience of Paris.

3. Signor de Martino was equally hopeful as regards the prospect of an agreement on the subject of disarmament. He asked whether anything was known of the attitude of the French military authorities in this matter and was given a short account of the recommendations of the Allied Military Com-

mittee at Versailles dated December 28th and of the subsequent discussions in that Committee of the proposals put forward in the name of the War Office.¹

4. Referring to the Austrian situation, Signor de Martino again alluded to the article which appeared in the French Press, based apparently on statements attributed to Sir William Goode² and the Lords Commissioners of the Treasury, to the effect that His Majesty's Government considered they for their part had done enough for Austria and it was now for the other Allies to come forward with financial assistance. Signor de Martino said that from enquiries he had made the Italian Government, too, had done a good deal to help Austria, and that it might be exceedingly difficult for her to continue her efforts. There was, however, one point on which all the Allies could undoubtedly assist Austria, and that was by reducing the Inter-Allied Commissions which were very numerous, drew large salaries at the expense of Austria, and really had not enough to do to justify their existence. Even the Austrian Section of the Reparations Commission, which was undoubtedly doing good work, was much criticised in Vienna owing to the extravagance of its numbers and requirements. This was still more the case as regards the Military Commission for which there was really nothing more left to do, and the continued existence of which was becoming a scandal.³ The Italian Government had therefore definitely decided to withdraw altogether their members of the Military Mission, and Signor de Martino was instructed to ask whether His Majesty's Government would be ready to adopt the same course.

5. His Excellency was informed that His Majesty's Government had already urged more than once at Paris the necessity of bringing the Military Commission of Control in Austria to an end as rapidly as possible.⁴ It

¹ See No. 570, n. 1, and No. 573, n. 1.

² President of and British representative on the Austrian section of the Reparation Commission at Vienna. In a Foreign Office memorandum of January 21, dealing with the Reparation Commission's proposals for the relief of Austria, it is stated: 'Sir W. Goode has been for some time now in Paris urging the adoption of his scheme. Articles appear daily in the French press, evidently inspired by him, reproducing what he has already submitted to us, in various memoranda on the dangers of the situation, and what he has already caused to appear in the English press.'

'Sir W. Goode in short is trying to arouse public opinion in France to bring pressure on the French Government to make some practical offer which, if made, would probably involve our co-operation.'

³ See Vol. XV, pp. 23 ff.

⁴ The British delegation presented a memorandum to the Conference of Ambassadors on December 6, 1920, which stated: 'The Allied Military Commission of Control ought to be dissolved on January 31, 1921, and if at that time the disarmament of Austria is not in a satisfactory state, the Conference of Ambassadors should consider any new measure which might be necessary from this fact.' This point of view was again stressed by Lord Hardinge when the Conference met on December 15, 1920. He agreed to the alteration from 'January 31' to 'two months' as the date to be fixed for the termination of the Military Commission of Control, but insisted that a time limit should be fixed. Following the announcement by the Italian Ambassador at the meeting of the Conference on January 22, 1921, that the Italian delegation on the Commission was to be withdrawn almost immediately, it was decided that subject to the agreement of the governments concerned the labours of the Commission of Control as such should be completed by February 20. This decision was confirmed at the meeting on February 2, 1921.

was not at the moment possible to say what the present position was, but His Majesty's Government would be in general sympathy with any plan for relieving Austria of any unnecessary expenditure in this respect.

6. The Ambassador finally referred to the Turkish question and asked what was the policy which His Majesty's Government would be likely to recommend at the Conference. His Excellency was informed that this was not a point on which it was possible at present to enlighten him. The Cabinet was actually engaged in considering this problem and no definite decision as to the line to be taken had yet been come to. Signor de Martino was reminded of the decision arrived at unanimously at the last meeting of the Supreme Council in London, which Count Sforza attended.⁵ His Majesty's Government at that time clearly expressed themselves in favour of maintaining the Treaty of Sèvres and of procuring its ratification without excluding the possibility of modifying hereafter by common consent any portions of it which might be found impossible to execute. The main pre-occupation of His Majesty's Government was then, and doubtless still remained, to preserve the agreement arrived at with so much difficulty and after such lengthy negotiations between the Allied Powers as regards the general settlement of the Turkish question. That agreement took the form of the Treaty of Sèvres. If the Treaty of Sèvres were now to be 'scrapped', great difficulties in arriving at a fresh agreement would be encountered before it would be possible to deal with the Turk or the Greek. It was therefore likely that His Majesty's Government would continue, generally speaking, to move on the same lines.

7. Signor de Martino declared himself much impressed by these considerations, and went so far as to say that he personally would strongly support with his Minister for Foreign Affairs the policy of ratifying the Treaty of Sèvres under the conditions referred to, and he thought the Italian Government would be quite ready to take the same view. I am not convinced, however, that this statement represents the views of Count Sforza.

I am, &c.,
(for the Secretary of State)
CHARLES TUFTON

⁵ On December 3, at the Second Conference of London (November 26–December 4, 1920); see Vol. VIII, Nos. 98–99.

No. 584

Earl Curzon to Lord Kilbarnock (Berlin)

No. 22 Telegraphic [C 2022/1346/18]

FOREIGN OFFICE, *February 1, 1921, 3.50 p.m.*

His Majesty's Minister at The Hague learns on good authority¹ that on death of ex-Empress which is regarded as imminent, burial is to take place at Potsdam as quickly and quietly as possible.

¹ In his despatch No. 55 of January 27, not printed, Sir R. Graham stated that his informant was Count van Lynden, the Governor of Utrecht, who was in direct control of the ex-Emperor at Doorn.

Have German Government agreed to this, and if so will adequate measures be taken to preclude political demonstrations of embarrassing character?

We understand that Dutch Government would not in any case permit ex-Emperor and Crown Prince to leave Holland on the occasion.

No. 585

Lord Kilmarnock (Berlin) to Earl Curzon (Received February 2, 5.20 p.m.)

No. 34 Telegraphic [C 2460/1346/18]

Your telegram No. 22.¹

BERLIN, February 2, 1921, 1.50 p.m.

German Government has assented to burial of Ex-Empress at Potsdam. Permanent Secretary of State for Foreign Affairs tells me that every effort will be made to keep ceremony as quiet as possible, and that all possible measures will be taken to preclude political demonstrations of an embarrassing character. He said that Ex-Empress had expressed wish to be buried at Potsdam and that German Government considered a refusal to allow this would cause more excitement than burial itself. There was no question as far as he knew of Ex-Emperor or Crown Prince wishing to be present.²

¹ No. 584.

² The German ex-Empress died on April 11, 1921, and was buried at Potsdam. The Kaiser and the Crown Prince were not present at the ceremony.

No. 586

Lord Hardinge (Paris) to Earl Curzon (Received February 4)

No. 73 Telegraphic: by bag [C 2497/47/18]¹

PARIS, February 2, 1921

The Conference of Ambassadors met this morning under the presidency of Monsieur Jules Cambon, the Belgian Ambassador being also present, and considered the following questions.

(1) Marshal Foch submitted to the Conference the majority and minority reports (enclosed in my despatch No. 371 of to-day's date)² of the Special Committee set up to consider the possibility of the transformation of newly manufactured German civil aircraft into military aircraft. As stated in my despatch No. 156 of the 13th ultimo³ this subject gave rise in the Committee

¹ Section 11 is printed from file number C 2506/47/18.

² Not printed. For a summary of the minority report, see No. 589, Enclosure 1, below.

³ Not printed. In this despatch Lord Hardinge reported that on November 17, 1920, the Allied Military Committee at Versailles set up a Technical Committee on Air Clauses. Of this Committee, known as the Chalais-Meudon Committee, Air Commodore Masterman, President of the Aeronautical Commission of Control, was made President. Group Captain Groves, Aeronautical Adviser to Lord Hardinge, was a member and two representatives of the Air Ministry attended as technical advisers. The French sent to this committee many representatives 'until the composition of the Committee became overwhelmingly French' and the scope of its investigations was extended.

to divergence of opinion between the various British representatives. As I am not in possession of the views of His Majesty's Government as regards their policy in this matter I should have preferred to have adjourned this question, but Marshal Foch pointed out that the Supreme Council at their recent meeting had accepted the principle that the Allied Governments should assure themselves by constant supervision that Germany is fulfilling her obligation not to manufacture in the future military aircraft as distinguished from civil aircraft.⁴ In these circumstances I agreed that as the principle had been accepted by the Supreme Council, the Air Clauses Committee should be instructed to report as to the form of supervision which the Allied Governments would have to set up in order to supervise the German aeronautical industry after the withdrawal of the present Aeronautical Commission of Control. . . .⁵

(11) The Conference accepted a report by the Legal Advisers regarding German war material lying in Holland. (See Lord Derby's telegram No. 1223 of October 20th, Section 9).⁶ This report lays down that the German Government are not bound to hand over the material but must sell it in Holland, the proceeds being paid into the reparation account. I pointed out the danger of this material being sold to undesirable purchasers, but after considerable discussion the Conference came to the conclusion that there were no means at their disposal for preventing this and that there was nothing for it but to run the risk of the material being exported to undesirable destinations. The ideal course would be for it to be destroyed in Holland but the Allied Governments would appear to have no right to demand this of the German Government and in any case they have no machinery for carrying it out in Holland. The only other possible course would be to acquire the war material by purchase. The net value of the material after reduction of cost of storing etc. is estimated at 6 million marks.

The Belgian Ambassador advanced a claim that the greater part of this material was Belgian property inasmuch as it represented the arms which were handed over by the retreating German forces which to escape Belgian pursuit crossed through Dutch Limburg in November 1918. The Conference however did not accept this view.

⁴ See Vol. XV, Chap. I.

⁵ The sections omitted referred to other matters.

⁶ Not printed.

No. 587

Mr. Seeds (Munich) to Earl Curzon (Received February 7, 6.20 p.m.)

No. 4 Telegraphic [C 2582/13/18]

MUNICH, February 5, 1921, 11.20 p.m.

Bavarian Prime Minister left for Berlin last night.

Every indication goes to show that he will adhere to his extreme attitude in regard to (? Einwohnerwehr) trusting that excitement caused throughout

Germany by Paris decisions as to reparation will encourage Berlin Government to resist all Allied demands. Bavarian opinion, especially in Government circles, fears German Government may yield on disarmament in hope of obtaining better terms on reparation question, and Prime Minister will therefore lay great stress on necessity of treating Paris decisions as one whole and rejecting them en bloc.

Repeated to Berlin.

No. 588

Lord D'Abernon (Berlin) to Earl Curzon (Received February 21)

No. 264 [C 3585/37/18]

My Lord,

BERLIN, February 15, 1921

I have the honour to report that, according to information supplied by Lieutenant-Colonel Longhurst,¹ there have been signs of a distinct set-back in the attitude of the German public towards the members and work of the International Control Commission, as a result of the announcement of the decisions of the Paris Conference.

This has been particularly the case in Bavaria, where demonstrations have been made outside the hotels occupied by the commission in Munich and Nürnberg. In Munich a special guard of police is reported to have been stationed in the Vier Jahreszeiten Hotel, and the friendly social attitude hitherto existing between some Germans and members of the commission is said to have undergone a decided change. The local committee has temporarily suspended control operations.

In Berlin social appointments have been cancelled by Germans where they were likely to meet members of the commission. From Königsberg a case is reported of a deliberate attempt to pick a quarrel in the streets with men of the local committee, the first case of this nature which has been notified.

Sentiment in East Prussia is described as being permanently so hostile as to render unofficial intercourse with Germans impossible.

I have myself known cases in Berlin where Germans have recently cancelled or refused invitations which were likely to bring them into contact socially with the Allied representatives.

I have, &c.,
D'ABERNON

¹ A member of the British Military Mission at Berlin.

No. 589

Letter from Mr. Sargent¹ (Paris) to Mr. Wigram (Received February 18)

[C 3498/47/18]

Dear Wigram,

PARIS, February 16, 1921

We are rather interested in three aeronautical clauses which have got embedded in the general report of [on] German disarmament which was

¹ First Secretary attached to the Peace Delegation at Paris.

approved by the Supreme Council the other day in Paris.² We would be most grateful to you if you would keep us posted as to what is decided with regard to them when the question of disarmament comes up again in London.

The three questions are:

(1) The proposal to postpone the date from which the Germans can begin again the manufacture of civil air-craft. The discussions on this subject at the Conference of Ambassadors and our views are set forth at appalling length in our telegram No. 1420 of the 27th December, Section 6.³

(2) The payment by Germany of compensation in return for the illegal destruction of certain zeppelins. This subject is discussed in our despatch No. 3898 of December 31st.⁴

(3) The supervision to be exercised over the German aircraft industry after the withdrawal of the Commission of Control with a view to seeing that they do not manufacture military machines. The first stage of General Groves's troubles with regard to this question is explained in our despatch No. 156 of the 13th January.⁵ Since then the question has been raised again at the Conference of Ambassadors by Marshal Foch, as reported in our telegram No. 73 of February 2nd, Section (1).⁷ The Conference on that occasion, perhaps somewhat weakly, agreed to allow the Special Aeronautical Committee under General Masterman to discuss further a scheme of supervision, without waiting for the Supreme Council to choose between the two schemes which had already been put forward.⁸ The consequence is that after three meetings of the Committee⁹ the results are as follows:

(1) The majority report of the Chalais Meudon Conference has been re-submitted but now includes a proposal that the permanent Commission of Control shall be stationed outside Germany and that Germany shall grant it complete freedom to enter her territory at any time and carry out any investigations which it may consider necessary.¹⁰ Masterman and the other representatives of the Interallied Aeronautical Commission of Control have agreed to this report with a statement to the effect that it represents their personal view.

(2) General Groves has submitted a separate report of which I enclose a copy.¹¹

² See Vol. XV, No. 12, n. 2.

³ Volume X, No. 342, section 6.

⁴ Not printed. See No. 573, n. 13.

⁵ Group Captain Groves, see No. 586, n. 3.

⁶ See No. 586, n. 3.

⁷ No. 586.

⁸ i.e. between the majority and minority reports of the Chalais-Meudon Committee, see n. 10, below.

⁹ Of January 3, January 4, and January 7, when agreement was reached as to the communications to be made to Marshal Foch (see No. 586, section 1).

¹⁰ Copies of these documents were enclosed in Paris despatch No. 371 of February 2, not printed.

¹¹ A copy of the English version of the minority report of January 7 was enclosed in Paris despatch No. 156 of January 13, not printed. A French translation was enclosed in Paris despatch No. 371 of February 2, not printed. A summary of the report is printed as Enclosure 1 below.

(3) The Japanese representative accepts General Groves' report in principle, but wishes for certain modifications as regards various details. General Groves is unable to accept these modifications without reference to the Air Ministry.

(4) The Italian representative has made a reserve on both the Majority and Minority reports pending further instructions from his Government.

The whole question will come forward for discussion by the Allied Military Committee of Versailles at its next meeting, when General Groves will again press the view that the question is primarily one of policy and should therefore be referred either to the Conference of Ambassadors or to the Supreme Council, preferably to the latter.

General Groves is under the impression that on this question the Foreign Office and the Air Ministry are in disagreement, and that the Foreign Office wish to set up a definite control on the lines of the present Commission of Control to supervise the German industry. Do you confirm this?

Yours ever,

ORME SARGENT

P.S. Since writing the above we have received your despatch No. 467 of February 12th.¹² which shows that the Foreign Office are in agreement with

¹² In this despatch, not printed, the Foreign Office transmitted to Sir M. Cheetham a copy of an Air Ministry letter of January 18 to the Foreign Office. This letter ran as follows:

'I am commanded by the Air Council to refer to the conference which was held at Chalais Meudon of the Inter Allied Aeronautical Commission of Control at which was discussed the question of the measures needed to prevent a military air force being built up in Germany under the guise of civil aviation, and thus to secure the continuing fulfilment of Article 198 of the Treaty of Versailles.

'2. As a result of this meeting various technical recommendations were made by a majority of the Inter Allied Aeronautical Commission of Control (the British and Japanese representatives dissenting) which, if adopted, would involve a detailed supervision of the processes of manufacture of all aircraft in Germany and also of the working in all its aspects of any organisation through which civil aviation in Germany would operate. It is stated in the majority report of the Inter Allied Aeronautical Commission of Control that for such supervision a personnel as numerous as that at present employed by that Commission would be required.

'3. The dissent of the British representative from these recommendations was in accordance with the policy of the Air Council, who are, as the Secretary of State for Foreign Affairs has already been informed, averse to the permanent retention in Germany of any Commission of Control. The Air Council fully appreciate the need for keeping watch on the developments of German aviation, but in their view the existence of a Commission of Control (apart from any question as to its legality under the Peace Treaty) would involve constant friction and would be no more likely to prevent Germany, if she was so minded, from evading compliance with the letter or spirit of Article 198, than would the course which the Air Council propose for adoption. Under the Council's proposals the Allied Governments would rely on information to be supplied by their Attachés and through the Intelligence services in Germany of the trend of aeronautical development. In addition the German Government should be requested to accept certain simple rules to govern the development of civil aviation in Germany, in accordance with the proposals contained in the attached Memorandum, which has been prepared by the Air Staff, and is being forwarded as an instruction to Air Commodore Masterman and Group Captain Groves. The observance of these rules would not hamper any legitimate developments of German civil aviation; it would be

the Air Ministry in regard to the policy to be adopted relative to the supervision of the German aircraft industry. In your despatch you suggest that we should advocate this policy at the Conference of Ambassadors, but I do not think that the question can at the present stage be considered by the Conference of Ambassadors, since it is under discussion between the Supreme Council and the German Government inasmuch as it figures in the statement on disarmament which has been communicated to the German Government for their acceptance.

ENCLOSURE 1 IN NO. 589

Minority Report

- 1) The Air Ministry is definitely averse to any form of permanent control in Germany after the present Commission has withdrawn.
- 2) The Air Ministry considers that the Allied Governments should rely on the usual sources for information as regards infringements of the Peace Treaty and that for action in the event of such infringements they should rely upon Article 213 of the Peace Treaty.
- 3) The Air Ministry has forwarded the attached paper setting forth its views as regards the methods to be adopted for preventing the transformation of German civil aviation into Military aviation.¹³

ENCLOSURE 2 IN NO. 589

*Methods for preventing the transformation of German Civil Aviation into Military Aviation*¹⁴

AIR STAFF, January 18, 1921

The Air Staff are fully alive to the possible danger of Germany being allowed full liberty with regard to the development of civil aviation and agree that it is necessary to impose certain restrictions.

It is not considered possible to carry out the restrictions proposed by the Allied Conference held at Paris on January 5th 1921,¹⁵ on account of the enormous difficulties in the way of ascertaining infringements of any restrictions and the absence of any authorities to prevent them being carried into effect. For this reason the Air Ministry adhere to their previous opinion that it is not desirable to have a permanent Commission of Control in Germany.

It is considered that the basis of the presentation to Germany of rules governing the development of commercial civil aviation should be made in anticipation of Germany being admitted to the League of Nations. The

easy to obtain knowledge of any material breach of them, and the action of the German Government as regards their acceptance in principle and observance in practice would provide an effective test of the future policy of that country in air matters.¹

¹³ Enclosure 2 below.

¹⁴ A French translation of this Memorandum was enclosed in Lord Hardinge's despatch No. 371, see n. 10.

¹⁵ i.e. the meeting of the Chalais-Meudon Committee. Cf. n. 9.

rules drawn up should be presented to Germany in this understanding, and it should be made clear both to our Allies and to the Germans that they are presented in order to provide Germany with an opportunity of giving ample evidence of her intention for the future. When the time comes for the consideration of Germany's admission to the League of Nations these rules will provide a standard by which her suitability to be admitted can be judged, and they have been expressly drawn up with the object of avoiding any unnecessary interference with the full development of commercial civil aviation in Germany, but in the meantime developments should be watched by having an Air Attaché, with one or more assistant Attachés if necessary, from each Allied Power, who would report to their respective Ministries.

On this basis the following regulations are proposed:—

Restrictions on German Civil Aircraft

1. Single Seaters

(a) No single seater machine should be allowed an engine exceeding 60 H.P.

(b) No single seater machine to be constructed so as to be capable of taking an engine exceeding 60 H.P.

2. Other Types

'The quantity of petrol "best aviation" quality necessary for the engines of German civil aircraft shall not exceed $\frac{800 \times 170}{V}$ grammes per H.P. utilised where "V" is the speed of the aircraft at full throttle and full power at 2,000 metres.' (Regulation 3 of Conference proposals).

3. No machine to be constructed to fly without a pilot (whether heavier or lighter than air) i.e. controlled by W/T or other methods.

4. General

(a) No fittings to take any form of armament, gun, torpedo or bomb will be allowed.

(b) No fittings for sights for above.

(c) No form of armour protection.

5. Mobilisation

On leaving the factory every German machine must be entered in the register and provided with a log-book permitting its history to be followed until its withdrawal from use (under the same conditions as those laid down in the Air Convention of the 13th October.)¹⁶

The training of a large number of pilots, where such training is not intended solely for the purpose of running the German civil aviation companies' lines falls clearly under Article 178, which prohibits all measures of mobilisation or tending thereto. All pilots authorised to fly in Germany must be registered and carry a registration card.

¹⁶ The Paris Convention relative to Air Navigation of October 13, 1919. For the text of this convention, see *B.F.S.P.*, vol. 112, pp. 931-70.

No. 590

Mr. Smallbones¹ (Munich) to Earl Curzon (Received February 17, 7 p.m.)
No. 7 Telegraphic [C 3431/2740/18]

Confidential

MUNICH, February 17, 1921, 12.30 p.m.

Prime Minister has been told by a 'diplomatist' that his presence at London Conference would be agreeable to Allied States in order to hear his views on Einwohnerwehr question and I have been asked to ascertain whether this is correct.

He has hardly anything new to say on subject and fact of his going to London would encourage hopes of those wishing to refuse disarmament. His participation in German delegation would strengthen their resistance to Allied demands if it did not lead to disunion amongst themselves. Moreover undue interest shown by Allies in Bavarian views would encourage reaction in rest of Germany. While His Majesty's Government probably do not desire to exercise any influence over composition of German delegation, I venture to submit idea should be discouraged that Herr Kahr's presence is desired.²

Repeated to Berlin No. 7 where Mr. Seeds has gone to receive verbal instructions from His Majesty's Ambassador.

¹ H.M. Consul at Munich.

² Foreign Office telegram No. 4 of February 21 gave the following reply: 'We cannot interfere in any way in composition of German delegation. It is for the German Government to select their delegates in such a way as may appear to them best calculated to promote a settlement.'

No. 591

Responsibility for the War and Revision of Peace Treaty

[C 4701/416/18]

BERLIN [March 1, 1921]¹

The German arguments in the ever growing propaganda against the Versailles Treaty are based on:—

- (1) Their material rights, (their right to exist. The Versailles Treaty is credited with robbing Germany of the possibility of existence.)
- (2) Their moral rights, and especially Germany's position in the question of responsibility for the War.

It is the latter question which is gaining an increasing importance in the German anti-Peace Treaty propaganda. This question has been continually brought up by the Nationalists, but until the last few months has been scarcely mentioned by the other Bourgeois parties. The Socialists and most republicans believed to a certain degree in the responsibility of the old

¹ This report, drawn up by the Armaments Sub-Commission, was forwarded to the Foreign Office by Lord Kilmarnock in his despatch No. 358 of March 1, not printed.

German Government for the War. A great change has now taken place, first among the intellectuals and now among the mass of the people, and since the Paris decisions the change of opinion is more noticeable. The German people to-day argue on the following lines:—

‘The idea that the war was provoked by the aggressive policy of the German Government alone is absurd and the world no longer believes in it. If the world was deceived at the time it was due to the lying campaign of the Northcliffe Press. Mistakes were certainly made by the German Government but its responsibility is not greater than that of the other Governments which by adopting a different attitude could have prevented the outbreak of the war.’

The question of responsibility is now being discussed, particularly by the Volkspartei and the Stinnes Press, which is considered the counterpoise to the Northcliffe Press. Extracts of speeches of Allied Statesmen are used as arguments to prove their version of the question. Lloyd George is quoted as having said at Birmingham that no Government would be held responsible and that everyone had practically slipped into the war.² Ambiguous remarks by Clemenceau and Poincaré are also quoted.

Kautsky the Socialist writer, who in 1919 published a book³ to prove the criminal responsibility of the ex-German Government has been recently credited by a great part of the German Press with having changed his views. This is only true in so far as he substitutes the epithet ‘fools’ for ‘criminals’ as regards the pro-war German Government.

So far the German Government has not brought up the question officially although it has been urged from various sides to do so. There is no doubt that all material is being collected; special societies have been formed to deal with the question, and doubtless the German Government will bring the question forward when it considers it the right moment.

Art. 231—

‘The Allied and Associated Governments affirm and Germany accepts the responsibility of Germany and her allies for causing all the loss and damage to which the Allied and Associated Governments and their nationals have been subjected as a consequence of the war imposed upon them by the aggression of Germany and her Allies.’

is considered the basis on which all provisions for reparation are made. The *Preussische Zeitung* a short while ago expressed itself in the following way, ‘If our responsibility for the war can be disproved, the Peace Treaty will fall’. Propaganda is made in foreign countries, especially among the neutrals and a statement of Simons a few days ago at Karlsruhe⁴ is significant: ‘The German people know that they have fought a defensive war.’

The intention of these arguments is to deny all moral responsibility for Reparation.

² See No. 441, n. 3.

³ Karl Kautsky, *Wie der Weltkrieg entstand* (Berlin, 1919).

⁴ See No. 445, n. 1.

Mr. Robertson (Coblentz) to Earl Curzon (Received March 9)

No. 102 [C 4962/66/18]

COBLENZ, March 7, 1921

My Lord,

I have the honour to forward to Your Lordship herewith copy of a despatch,¹ which has been addressed by the French High Commissioner to the French President of the Council, in regard to the failure of the German Authorities to hand over to the French Military Authorities, in accordance with Article 4 of the Rhineland Agreement,² persons who had escaped into Unoccupied Germany and had been either accused or condemned for offences against the persons or property of the French Forces.

I also have the honour to enclose copy of a letter³ on the same subject which has been addressed to the German Commissioner by the High Commission.

After considerable discussion this letter was sent to Herr von Starck after he had been summoned before the High Commission and given explanations which were considered unsatisfactory. At the meetings at which the matter was discussed, General Allen, Commanding the American Forces in this Area, was present in person.

The facts are in summary as follows:—

In October and November last, various requests for the arrest of persons accused of offences against the French Forces were addressed to the Reichskommissar by the French High Commissioner. No reply of any kind was received to these requests for several months until early in February a formal note⁴ was sent by the High Commission demanding a reply within 10 days. Replies were duly received, though after the lapse of the 10 days, and in each case were categorical refusals on the grounds that the offences for which the accused were wanted were not properly offences against the persons or property of the Allied Armies. I may state that 12 men who had been duly condemned and imprisoned for theft and other crimes escaped from prison by forging a French Official Seal. In another case a man was wanted for pushing a French General off the pavement. In another case a man struck a member of the High Commission in such a way that it resulted in the latter's death. In another case a man was wanted for successfully inducing French soldiers to desert.

The German replies were considered by the High Commission to be frivolous and unsatisfactory, especially in view of the fact that several months had been allowed to elapse before any apparent notice was taken of the French High Commissioner's communications and the refusals then all came practically simultaneously.

The matter is regarded as serious by the French Authorities, as cases of

¹ Not printed.

² Of June 28, 1919, printed in *B.F.S.P.*, vol. 112, pp. 219-24.

³ See Enclosure below.

⁴ On February 9, see nn. 6 and 7 below.

insults and minor attacks on French officers and men are becoming more and more frequent, and, owing to circulation between Occupied and Unoccupied Germany being entirely free, it is a simple matter for the culprits to escape.

The attitude of the German Government in this matter, taken together with their continuous attacks upon the High Commission and protests against almost every Ordinance issued by the latter during the past year, has led the High Commission seriously to consider the advantage of retaining the German Commissioner who seems merely to act as a channel through which the German protests are received. Herr von Starck appears to carry no weight whatsoever with his Government, and we are not, indeed, convinced that he is in any respect loyal to the High Commission either in word or in act. As long ago as March 5, 1920, a letter was addressed to him in which it was stated that:

‘La Haute-Commission a, à différentes reprises, constaté avec regret, que loin d’atteindre ce but et de faire preuve du désir de coopérer cordialement avec elle, vous avez adopté une attitude d’hostilité et d’obstruction, et elle désire établir nettement que si cet état de choses continue, elle demandera aux Gouvernements Alliés de supprimer votre poste et de laisser la Haute-Commission traiter exclusivement avec les Fonctionnaires allemands mentionnés à l’Art. V. de l’Arrangement Rhénan’.

Matters have not improved since then. Frivolous protests against the Ordinances of the High Commission and against actions of its delegates in cases which could easily be settled locally with a little display of good-will, continue to pour in upon the High Commission in ever increasing volume. It is a matter for serious consideration whether, in the circumstances, the office of German Commissioner serves any useful purpose to the High Commission. For the moment we merely contemplate, in the event of no satisfaction being given to us in the matter of the surrender of the persons referred to above, recommending to our Governments that their approval of Herr von Starck’s appointment should be withdrawn. Should his successor be found to be equally unsatisfactory it is probable that the High Commission would then recommend that the office be abolished. As Your Lordship is aware, it was not set up by the Rhineland Agreement, but was agreed to by the Allies in Paragraph 5 of their Reply of July 29, 1919, to the German Notes.⁵

In addition to advising the respective Governments to withdraw their approval from Herr von Starck’s appointment, the High Commission propose to re-introduce Control Posts on the boundaries of the Occupied Territories, more for the sake of the moral effect than for any effective action that they could take with a view to preventing the escape of fugitives.

In conclusion I would state that had the German Government in one or two instances immediately disputed the right of the French Authorities to request the return of certain individuals, the High Commission would carefully have considered the arguments used. But a most unfavourable impression

⁵ The Allied reply of July 29, 1919, is printed in *F.R.U.S., Paris Peace Conference*, vol. vii, pp. 212–18. For translations of the German Notes, dated July 12, 1919, see *ibid.*, pp. 218–29.

has been created among us by the failure of the German Commissioner to reply at all for several months and by the categoric refusals subsequently received.⁶

Should Your Lordship desire me to send copies of the correspondence I should be glad to do so.

I have, &c.,
ARNOLD ROBERTSON

ENCLOSURE IN No. 592

Le Président de la Haute Commission Interalliée des Territoires Rhénans à Monsieur le Commissaire Allemand pour les Territoires Occupés, Coblenz

COBLENZ, le 4 Mars, 1921

Comme suite aux lettres que vous lui avez adressées au sujet de la remise aux Autorités Alliées d'inculpés réfugiés en Allemagne non occupée, en exécution de l'Art. 4 de l'Arrangement Rhénan, la Haute Commission a décidé de vous rappeler les termes de sa lettre du 9 Février 1921, et en particulier les deux derniers paragraphes.⁷

Elle vous prie d'attirer formellement l'attention du Gouvernement allemand sur le fait que, en ne donnant pas satisfaction aux demandes formulées par les Autorités alliées, et surtout en s'y refusant d'une manière aussi systématique, après des délais injustifiés, celui-ci s'expose à voir la Haute Commission prendre telles mesures qu'elle croira utiles pour obtenir satisfaction, soit à l'égard du Commissariat d'Empire, soit par tous autres moyens destinés à éviter matériellement la fuite des inculpés. Le Gouvernement allemand supportait la responsabilité, vis-à-vis de la population rhénane, de mesures qu'il n'était pas jusqu'ici dans l'intention de la Haute Commission de prendre.

LE PRÉSIDENT
DE LA HAUTE COMMISSION INTERALLIÉE
DES TERRITOIRES RHÉNANS:

Les Secrétaires Généraux
Interalliés:

PAUL TIRARD

A. ISAMBERT — C. CALTHROP.

⁶ The failure of Herr von Starck to comply with the High Commission's demands for the return of all the prisoners named in the note of February 9 (see n. 4) led to his resignation with effect from June 1 and his departure from the area during the first week in June. Largely owing to British insistence French opposition to the appointment of a successor was overcome and an agreement was reached on August 6 by the High Commission on the terms under which the German nominee, Prince Hatzfeldt Wildenburg, was to be appointed. This decision was communicated to the Conference of Ambassadors on the same day and embodied in a note to the German Government on September 3. Prince Hatzfeldt took up his position on October 15.

⁷ These read: 'The Inter-Allied Rhineland High Commission 'has further decided to draw your attention to the fact that the object of the Allied Governments in allowing the creation of the office of a German Commissioner in the Occupied Territories was to facilitate relations between the High Commission and the administrative authorities in Unoccupied Territory. In the event of the High Commission not receiving a satisfactory reply in the time stated [see n. 4] it would consider the taking of appropriate measures.'

No. 593

Mr. Seeds (Munich) to Earl Curzon (Received March 14, 9.30 p.m.)

No. 11 Telegraphic [C 5328/13/18]

MUNICH, *March 14, 1921, 11.45 a.m.*

Disarmament law passed by Reichstag¹ has aroused greatest indignation. It had been taken for granted that question was no longer one of urgency owing to collapse of recent London negotiations. Public opinion naturally resents (? Germans) having stood up to Entente over our reparation demands, only to yield on the one point of Paris decisions which vitally interests Bavaria. Fact that law refers to Peace Treaty and not to Paris decisions does not help as attitude here has always been that Einwohnerwehr is not military organization and does not therefore fall under the Treaty.² Government and conservative circles are additionally indignant at thought that action of German Government is due to desire to propitiate Socialists.

Feeling runs very strongly against Berlin and any attempt by latter to enforce law in face of Bavaria's present temper would have most serious consequences.

Repeated to Berlin.

¹ In his despatch No. 427 of March 15, not printed, Lord Kilmarnock reported 'that the Government Bill for the carrying out of articles 177 and 178 of the Treaty of Peace (Disarmament Law) was introduced in the Reichstag yesterday'. The law was promulgated on March 22. A translation of the text was transmitted in Berlin despatch No. 480 of March 24.

² See No. 573.

No. 594

Lord D'Abernon (Berlin) to Earl Curzon (Received April 7)

No. 520 [C 7140/103/18]

BERLIN, *April 2, 1921*

My Lord,

With reference to my despatch No. 510 of the 31st ultimo,¹ I have the honour to state that the Communist movement seems for the moment to have been successfully dealt with by the German Government. It is too early to judge to what extent it has been definitely suppressed, but it is at all events clear that it has for the time being obtained practically no support from the great masses of the German workers. It still flickers on in certain parts of Central Germany and outrages and acts of terrorism are reported from time to time, but there is now no appearance of successful organisation on any large scale.

Reports from His Majesty's consular officers at Leipzig, Munich and Frankfort² go to show that, as was the case in Berlin, little or no support of

¹ Not printed. The despatch reported German press comments on the disorders caused by the Communists.

² Leipzig despatch No. 26 of March 30, Munich despatch No. 53 of March 29, and Frankfort despatch No. 42 of March 30, not printed.

the Communist appeals for a general strike has been forthcoming. Indeed it is remarkable how little success such appeals have had, and even the shooting in Berlin of a Communist leader who had been arrested and was endeavouring to escape has not resulted in a strike being declared in the electrical industry in which he was a worker, in spite of the endeavours of the Communists to exploit his death as a means of agitation. With the exception of Central Germany it is only in the Rühr district that the strike movement has had any measure of success, and considerable effervescence is still going on there.

The reports in the press as to the number of arms in the hands of the Communists in Central Germany seem to have been exaggerated. It is true that the permanent Secretary of State for Foreign Affairs informed me that the number of rifles and machine guns possessed by the extremists had come as a surprise to the Government, but Dr. Peters, Commissioner for Disarmament, stated to General Bingham yesterday that his information did not confirm the reports in question. A disturbing factor was that he had information from his agents that several hundred machine guns had been imported from Russia. The extent of the frontier to be controlled made it difficult to stop this traffic. At the Leuna works a number of foreigners, principally Russians and Galicians had been taken in typical Russian dress. Dr. Peters was glad that the recent disturbances occurred, as they had resulted in a setback to the Communists, but he expected more trouble in two months' time. He thought the leadership was Bolshevik and organised; it was a small nucleus only, but directly trouble began it was supported by all the more irresponsible rowdies and bad characters who had nothing to lose. He appealed for international action against Bolshevism and said that he was taking strong measures for clearing Thuringia and Central Germany of arms.

The views of the press continue to be in the direction already reported. The 'Deutsche Tageszeitung' declares that it has received information from reliable sources to the effect that the Communist action in Central Germany was a feint in order to distract attention from plans which are being prepared in North and South Germany, which are intended to materialise between the 15th and 20th April. This paper further alleges that the official reports have concealed the real situation. It states that the Communists have transferred their activities to the country districts, and quotes a telegram from the Reichslandbund to the Chancellor, the Minister of Food and other Ministers in which measures are called for for the defence of the rural population in the interests of the provision of food supplies. The paper gives a solemn warning of the approach of danger in Pomerania, Mecklenburg and other rural districts. The Government must either, it says, restore order itself, or provide the threatened population with means of self-defence against bands of criminals.

The 'Freiheit' has addressed a manifesto to the German proletariat in which it declares that the Communist tactics have collapsed and that the real enemy stands on the Right. It protests against the special tribunals which have been established, and conveys a warning against the intervention of the

Reichswehr. It calls on all socialistic workmen's organisations to enter on common action against unemployment and the lack of housing accommodation, but does not appear to contemplate anything more than careful organisation to bring pressure on the Government through the trade unions.

It is interesting to note that the chief centre of the movement was the Leuna works which were founded in 1916 for the production for war purposes of nitrogen from the air. The 'Tägliche Rundschau' gives some interesting details as to these works which, it says, now produce manures which are necessary for the cultivation of land providing food for 8,000,000 persons. Some 20,000 workmen are employed and it would seem that the Communists had chosen these works as specially favourable ground for their activities owing to the lack of any tradition of long service among the employees and the considerable influx of foreign elements. It is stated that a great part of the equipment of the Communist bands comes from the Leuna works where lorries were seized, depots broken open, cattle slaughtered and disused machine guns put into working order.

I have, &c.,
D'ABERNON

No. 595

Record by Sir Eyre Crowe of a Conversation with the German Ambassador
[C 6844/103/18]

FOREIGN OFFICE, April 6, 1921

The German Ambassador handed to me to-day a note on this subject, which I have sent to be translated.¹ The effect of the note, which he accentuated by verbal comment, is that the German Government found themselves suddenly confronted by a serious insurrectionary movement which broke out simultaneously in several important industrial centres. The German Government have conclusive evidence that the movement was organized, financed, and directed from Moscow.—In answer to a remark which I interposed, the Ambassador declared most emphatically that there was no evidence whatever of the reactionary and nationalist German party had [having], by the employment of 'agents provocateurs' or otherwise, contributed to start the disturbances.—

Although the German authorities had succeeded in putting down the communist rebellion mainly by the employment of the police, it had been necessary to bring up bodies of the Reichswehr in certain cases, because it was found that the rebels were in possession of arms superior to those of the police. The German Government found themselves seriously handicapped by the conditions imposed by the Allied Governments in respect to the armament of the police. The latter ought to be allowed more machine guns and tanks as well as hand grenades and 'maschinenwerfer' [*sic*].

I pointed out to Mr. Sthamer that in this country the police were not armed with any such weapons and that it was recognized in all civilized

¹ Not printed.

countries that at a certain stage of serious riots or an insurrection, recourse must be had to regular troops. But this was not generally admitted to justify or necessitate arming the police with machine guns and similar weapons.

Mr. Sthamer proceeded to say that the quantity of arms of every kind (including what he called 'heavy' machine guns) found to be in the hands of the insurgents had been a disagreeable revelation to the authorities. Some had now been captured, but evidently much remained hidden; and the Government remained powerless to seize the arms so concealed. Moreover the effect of the disturbances in the centre and north of Germany on Bavaria was to stiffen the opposition to the disarmament measures demanded by the Allies. The Bavarian Government declared themselves quite unable to carry out these demands. The German Government had sent a special commissioner to Munich to urge compliance, but had met with a decided refusal.² The orderly population of Bavaria were more than ever determined not to allow themselves to be disarmed and made helpless in the face of the danger, now proved to be very real and grave, of a communist rising.

The German Government hope that the Allied Governments will take this into due consideration in judging the attitude of the Bavarian Government and the consequent inability of the German Government to satisfy at present the Allied demands in regard to disarmament.

E. A. C.

² See No. 597, below.

No. 596

Mr. Seeds (Munich) to Earl Curzon (Received April 9, 10.5 a.m.)

No. 14 Telegraphic [C 7294/13/18]

MUNICH, April 8, 1921, 12.10 p.m.

My telegram No. 13.¹

Prime Minister had five hours interview April 4th. with Colonel Twist [Twiss] of the War Office now visiting Bavaria who, I understand, urged (? privately) that Bavarian Government should make some proposal as to Einwohnerwehr in order to facilitate solution. On April 6th, after despatch of my telegram above-mentioned, Prime Minister sent for French Minister and Italian Consul General . . .² and said he had asked German Government to renew negotiations with Entente on the basis that communistic agitation in Central Germany made disarmament impossible. He did not

¹ Of April 6, not printed. Mr. Seeds stated: 'I am informed on what should be most reliable source that at meeting of Bavarian Cabinet April 4th Prime Minister declared that according to statement made to him by a British officer, Mr. Lloyd George was in favour of continued existence of Einwohne[r]wehr as bulwark against Bolsheviks.' To this telegram Lord Curzon replied (in telegram No. 7 of April 9): 'You may inform Prime Minister that views of His Majesty's Government regarding disbandment and disarmament of Einwohnerwehr are in complete agreement with those outlined in the Paris note of January 29th 1921.'

² The text is here uncertain.

summon me as he apparently considers Colonel Twist was here in official capacity.³ Latter says he made it clear that he had no such mission.⁴

Repeated to Berlin.

³ Mr. Wigram minuted on April 19: 'It was pointed out in a memorandum written, at the direction of the Secretary of State, some weeks ago . . . that the sources from which the War Office drew their "political" information tended to make them exaggerate the danger of communism in Germany and, as a consequence, to advocate a policy which was not always that of H.M.G.'

⁴ In a telephone conversation of April 18 with Mr. Tufton, Colonel Twiss stated that he had met the Bavarian Prime Minister at a supper party at which other British officers were present and that he had made no remark about Mr. Lloyd George's views (see n. 1). Having recorded this conversation Mr. Tufton commented: 'Knowing Colonel Twiss intimately, I feel sure we can accept his statement without question, but there is I think no doubt that the Bavarian Prime Minister made use of this meeting with Colonel Twiss for his own ends.'

No. 597

Mr. Seeds (Munich) to Earl Curzon (Received April 18)

No. 62 [C 7889/13/18]

Confidential

MUNICH, April 9, 1921

My Lord,

The recent events connected with the Einwohnerwehr question have been as follows:—

On the 24th March the German Vice-Chancellor, Dr. Heinze, arrived in Munich, bringing a note from the Berlin Government, in which Bavarian co-operation towards the dissolution of the Wehr was urgently demanded. Through the Prussian representative, Dr. Heinze endeavoured to obtain permission to lay the views of the Reich personally before the Bavarian Ministers assembled in Council; this was refused by Dr. von Kahr, on the ground that a Minister of the Reich had no constitutional right to take part in a Bavarian Cabinet Council. An attempt was made to arrange an informal meeting of Ministers, at which Dr. Heinze might develop his views, but this failed, whether purposely or by mischance is not clear. The result was that Dr. Heinze had to leave Munich without having done more than interview Dr. von Kahr, who was as obdurate as ever, all the more that the interview synchronised with the outbreak of the Communist troubles in Central Germany, an event which, he told a journalist, showed the necessity rather of increasing than of dissolving the Einwohnerwehr. Dr. von Kahr was also able to show that the existence of that force alone had placed Bavaria in a position to send most of her Reichswehr to the affected districts in accordance with the request of the Central Government.

Whether or no Dr. von Kahr was constitutionally correct in not giving Dr. Heinze an opportunity to meet the Bavarian Ministers and to obtain, through the more moderate members of the Cabinet, some modification of the local Government's attitude, the incident did certainly raise grave doubts in many quarters as to whether such a slap in the face to the Central Govern-

ment's delegate was judicious. It gave rise to considerable protest from the Democrats, who in some cases have openly attacked Dr. von Kahr, and there is little doubt that though the Left Wing of the Government Coalition still declare themselves against a dissolution of the *Einwohnerwehr*, they can no longer be considered loyal to the Prime Minister.

It was understood that no definite answer would be given to the Reich until the Landtag met on the 12th instant after the Easter holidays, but on the 4th April a Cabinet Council was held, at which it was decided to ask the Berlin Government to renew negotiations with the *Entente* on the basis that the Communist troubles in Central Germany had made it quite impossible to dissolve the *Einwohnerwehr* at present. On the next day (not on the 4th, as I was at first informed and reported to your Lordship in my telegram No. 13¹ of the 6th April) Dr. von Kahr informed some of his colleagues that, according to what he had been told by a British officer, Mr. Lloyd George was prepared to countenance the continued existence of the *Einwohnerwehr* as a protection against the Bolshevik danger. This information comes to me from within the Cabinet, and should therefore be treated as confidential.

So far as I know, the only British officers who saw Dr. von Kahr recently were Colonel-Commandant Morgan, from the Control Commission in Berlin, who was here just before Easter, and Colonel Twiss from the War Office, who had a long conversation² with the Prime Minister on the evening of the 4th instant. I do not for a moment believe that either of these officers said anything of the nature attributed to them, but rather that Dr. von Kahr thought he could interpret in that sense some general observations on the dangers of Communism, or a statement that while His Majesty's Government were firm on the question of dissolving the *Einwohnerwehr*, they were anxious for the preservation of law and order in Germany.

In any case, the alleged statement was treated so seriously that a Moderate Minister urged Dr. von Kahr to enquire whether such views were shared by the competent representatives of the *Entente* here. The Prime Minister had already sent for the French Minister, and subsequently sent for the Italian consul-general on the 6th instant, but only to reiterate his well-known opinions and to inform them of the proposal for new negotiations. He did not summon me, as he knew that Colonel Twiss would report to London the substance of his five hours' conversation.³ Colonel Twiss had, in fact, asked him whether he might do so. That officer had told him that he had no official mission, although he was travelling on duty, but Dr. von Kahr can reasonably be excused for believing that a British officer would not seek an interview with the Prime Minister unless there had been some definite intention behind his visit to Munich. Colonel Twiss's interview has formed the subject of comment in the press, which recalls the fact that General Malcolm's visit last November³ was notoriously connected with the *Einwohnerwehr* question.

¹ Not printed. See No. 596, n. 1.

² Cf. No. 596, n. 4.

³ Major-General N. Malcolm, Chief of the British Military Mission at Berlin, visited Bavaria from November 26–December 1, 1920. See Vol. X, No. 328, for his report on the visit.

A semi-official statement has had to be issued to the effect that no undue importance should be attached to it.

I cannot think that interviews, however harmless in themselves, between British military officers and the Prime Minister, except under direct instructions from London, are either necessary or useful; they are, on the contrary, liable to misconstruction by the politicians and the public, and above all, by Dr. von Kahr himself. If, however, the War Office consider it desirable that their intelligence officers should occasionally come into personal contact with Bavarian politicians, I venture to submit that this should be done through informal interviews arranged by me and held in my presence.⁴

(Copy sent to Berlin.)

I have, &c.,

WILLIAM SEEDS

⁴ See No. 596, n. 3. In a further telephone conversation with Mr. Tufton on April 19, Colonel Twiss said that 'Mr. Seeds' statements about his interview were untrue, & rather unfair, considering Mr. Smallbones, of the British Consulate-General, knew of his meeting with the Prime Minister at a supper party & had indeed intended being present himself, but was prevented at the last moment.'

No. 598

Lord Hardinge (Paris) to Earl Curzon (Received April 14, 10.30 p.m.)

No. 196 Telegraphic: by bag [Confidential/General/199/3]

PARIS, April 13, 1921

The Conference of Ambassadors met this morning under the presidency of Monsieur Jules Cambon and considered the following questions:— . . .¹

2. The Conference approved the report² of the Inter-Allied Military Committee at Versailles (copy of which was enclosed in my despatch No. 1078 of the 9th instant)³ dealing with the two following subjects:—

- (1) the refusal⁴ of the German Government to suspend the manufacture of civil aviation.
- (2) the destruction of German fortresses.

¹ The section omitted referred to other matters.

² This report of April 5 accepting the recommendations of the Inter-Allied Aeronautical Commission of Control ran as follows: 'le C.M.A.V. . . . prend acte du refus officiel du Gouvernement allemand de reconnaître les Décisions des Gouvernements Alliés, concernant la reprise des fabrications aéronautiques en Allemagne, qui lui ont été notifiées par la Note de Boulogne du 22 Juin 1920 [see document No. 165 of Cmd. 1325 of 1921] et la Lettre de Paris du 29 Janvier 1921 [see Vol. XV, No. 11, Appendix 1], et demande à la Conférence des Ambassadeurs de vouloir bien en saisir les Gouvernements Alliés'. The report continued: 'le C.M.A.V. approuve le rapport du Général Nollet, proposant d'inviter le Gouvernement allemande à mettre sans retard sa législation en conformité de la Partie V du Traité de Paix, en particulier en ce qui concerne le déclassement des fortifications allemandes. Il appartiendra à la H[aute] C[ommission] I[nter-Alliée] des T[erritoires] R[hé]nans d'édicter dans les conditions prévues par l'Arrangement du 28 Juin 1919, les Ordonnances nécessaires pour sauvegarder les intérêts des armées d'occupation en ce qui concerne les servitudes militaires existant en zone occupée.'

³ Not printed.

⁴ This refusal was contained in a German note on March 26, in reply to a note of March 17

I should remind Your Lordship that the former is the question which formed the subject of a decision of the Conference at Boulogne last year, which the German Government have never accepted, as going beyond the provisions of the Treaty of Versailles.

3. The Conference considered a note from Marshal Foch,⁵ copy of which is enclosed in my despatch No. 1101³ of today's date, regarding the refusal of the German Government to accept responsibility for the pay as well as the allowances and expenses of members of the Commissions of Control in Germany. It was decided to notify to the German Government the decision of the Supreme Council of November 4th, 1919 which was in accordance with the Treaty of Versailles. . . .⁶

from the Inter-Allied Aeronautical Commission of Control at Berlin (copies of these notes were enclosed in Paris despatch No. 1078 of April 9), and ran as follows: 'Le Gouvernement allemand maintient à l'heure actuelle comme précédemment son point de vue suivant lequel le Traité de Versailles ne confère pas aux Gouvernements Alliés le droit d'exiger une prolongation du délai d'interdiction de construction et d'importation d'avions ou de matériel aéronautique qui est échu le 10 Juillet 1920. Il n'est donc pas encore actuellement en mesure de donner suite aux décisions de la Conférence de Boulogne ayant trait à cette prolongation. [See Vol. VIII, No. 36, minute 3, and Document No. 165 of Cmd. 1325.] Le point de vue allemand a été minutieusement motivé dans le Memorandum du 29 Juillet et dans la note à la Conférence des Ambassadeurs du 14 Décembre. Dans la note du 14 Décembre il a été même proposé de soumettre la question à un tribunal d'arbitrage au cas où les Alliés ne reconnaîtraient pas la validité de ces motifs.'

⁵ Marshal Foch's note (March 31, 1921) contained a communication of March 23, 1921, from General Nollet, the President of the Inter-Allied Military Commission of Control, in which it was stated that the German Government in a memorandum of March 17, 1920, had criticized the decision of the Supreme Council of November 4, 1919, which had stated that Germany should be responsible for the payment of the salaries of the personnel of the Military Commissions. This decision had been communicated to the German Government on February 11, 1920. Marshal Foch's note of March 31 requested that the matter should be submitted to the Conference of Ambassadors as soon as possible.

⁶ The sections omitted referred to other matters.

No. 599

Mr. Seeds (Munich) to Earl Curzon (Received April 19)

No. 67 [C 7978/13/18]

MUNICH, April 13, 1921

My Lord,

In the course of a debate which began in the Landtag yesterday the Prime Minister made some illuminating statements on the subject of the Einwohnerwehr.

He said that, as the result of the German law of the 22nd ultimo,¹ the directorate of the Einwohnerwehr had begun an examination of the statutes of that body with the object of making any alterations necessary to remove the Wehr from the scope of the law's provisions in the matter of self-defence organisations.

¹ See No. 593, n. 1.

By the note which Vice-Chancellor Heinze brought to Munich on the 24th ultimo the Government of the Reich had asked the Bavarian Government to co-operate actively in the proposed disarmament and dissolution. This demand was not justifiable, as the Munich Government had made it clear in February last that they expected the Reich to carry out the measure itself and alone to take all the responsibility therefor. The Einwohnerwehr was only a temporary institution, but this was emphatically not the moment for depriving the State of its assistance.

From the tone of Dr. von Kahr's speech it seems certain that the Reich must expect no help at all from Munich in the matter. His Excellency told me two days ago that he looked upon the local disarmament authorities as officials of the Reich pure and simple, and that the Central Government had no right to ask the Bavarian Government to do anything which Berlin knew was impossible and could not do itself.

(Copy sent to Berlin.)

I have, &c.,
WILLIAM SEEDS

No. 600

Mr. Seeds (Munich) to Earl Curzon (Received April 19)

No. 68 [C 7979/13/18]

MUNICH, April 14, 1921

My Lord,

In the course of a speech in the Landtag the Secretary of State of the Bavarian Ministry of the Interior gave the following information as to the composition and finances of the Einwohnerwehr.

Dr. Schweyer said that the numbers were constantly changing, but at the present moment the organisation consisted of 320,000 men, with 240,000 rifles (Your Lordship may remember that the number of rifles stated by Dr. von Kahr to H.M. Ambassador in Berlin last November was 196,000), 2,780 machine-guns, 44 light guns and 34 light bomb-throwers. All weapons, and arms depots where such existed, had been properly notified.

The organisation was a private one but was under the supervision of the Ministry of the Interior and could only be called out by the Government.

In connection with the proposed subsidy of 15 million marks, the Minister stated that the ordinary members of the force received no pay but the administrative officials had their salaries paid out of the State subsidy. Up to April 1st last subsidies had been received, or were due from the Reich, more especially during the period ended October 1919 while the force was under military command. 'The main expenses of the Einwohnerwehr are provided for out of State money, and their total expenditure is therefore practically covered by the sum (15 millions) proposed in the budget. Some further two millions have been collected privately which did not however all come to the Einwohnerwehr. Finally the arms, etc. have been for the time placed at the

disposal of the Einwohnerwehr free of charge. They were handed over by the Reichstreuhand[els]gesellschaft (Public Trustee Company which has taken over the Government Disposals Board); it is not yet certain what, if any, payment will have to be made to the Reich on that account but in any case it will probably not be high.'

I should state that the 15 millions in question refers to past and not to future expenditure. According to the official figures which I have seen, the total advances made amount to 15,074,000 marks, of which 3,283,230 marks were for the year 1919 and 11,790,770 marks for 1920. The main total items for the two years period are

Salaries, etc.	5,782,500
Office expenses, rent, etc.	2,688,300
Transport, upkeep of arms, etc.	1,400,000
Journey money, etc.	1,875,000

It has been frequently argued that an effective dissolution of the force is beyond the power of the Bavarian Government, but Dr. Schweyer's statements show that in the matter of finance the Government have at any rate one instrument to hand with which they could bring some useful pressure to bear.¹

I have, &c.,
WILLIAM SEEDS

¹ In his despatch No. 69, of April 15, Mr. Seeds reported 'that the subsidy to the Einwohnerwehr has been passed by the Landtag, and the Government was authorised in addition to pay compensation to individual Communes which had incurred exceptional expenses in connection with the establishment of that force'.

No. 601

Statement by the General Staff of the War Office showing the extent to which Germany had failed to carry out disarmament in accordance with the clauses of the Treaty of Versailles and the decisions of the subsequent Allied Conference¹

[C 8330/13/18]

WAR OFFICE, April 19, 1921

The German Government has failed to carry out disarmament to the following extent:—

A. Organization of the Army

The army has been reduced to 100,000 but its organization does not conform to the Treaty in the following details:—

Excessive personnel employed in the Central Administration; existence of Cyclist companies, Railway Pioneer Companies; Officials and technical officers appointed surplus to the establishment.

¹ This statement was communicated to the Foreign Office by the War Office on April 22.

B. Surrender of surplus arms and equipment in Army units

In spite of frequent protests by the Inter-Allied Military Commission of Control in Germany, the Germans have not surrendered the surplus armament and equipment available after the reduction of the Army from 200,000 to 100,000; the Germans have refused to accept the equipment tables for all units as authorised by the Commission of Control.

C. Surrender of surplus armament and equipment in Land fortresses

The Germans have taken no steps to surrender the surplus armament and equipment in the fortresses of Königsberg (368 guns) Boyen Lotzen (20 guns) and Cüstrin (168 guns).

D. Surrender of the surplus armament in the North Sea Coast Defences

The Germans have not yet surrendered the excess armament of these fortresses, which has not been sanctioned by Control.

E. Reduction of the German Police Force in accordance with the Boulogne decision²

The Germans have not reduced the police to the strength laid down at the Boulogne Conference; the un-uniformed Police, i.e., Criminal and Administrative Police, are not included in the total of 150,000 authorised.³

F. Dissolution of all unauthorised Forces and Societies and the progressive surrender of their arms

1. On the 22nd March, a law was promulgated by the German Federal Government, declaring all forces and Societies constituted in contravention of Articles 177 and 178 of the Treaty of Versailles to be illegal.

The opinion of the Inter-Allied Military Commission of Control in Germany on this law has not yet been received.

No effective steps have, however, been taken, so far, to dissolve the Einwohnerwehr in Bavaria and Wurtemberg, the Orts and Grenzwehren in East Prussia, and the Orgesch Society.

2. The Germans, in accordance with the decisions of the Paris Conference, were to surrender all heavy arms and two thirds of the small arms and ammunition held by all unauthorised forces by 31st March 1921, and the remaining arms and ammunition by the 30th June, 1921.

No effective steps have been taken to disarm the forces mentioned in 1. above.

G. Completion of the disarmament of the Civil Population

The operation of the law for the disarmament of the Civil population has been extended to the first July, 1921.

It is not know[n] to what extent arms are still held by the civil population. But the Inter-Allied Military Commission of Control reported on 24th March 1921, that the following arms had been surrendered by the civil population up to 20th March 1921:—

² See No. 562, n. 3.

³ See No. 581.

113	Guns.
140	Minenwerfer.
6,430	Machine Guns.
681,334	Rifles and Carbines.
15,822,900	rounds of Small Arm Ammunition.

No. 602

Lord Hardinge (Paris) to Earl Curzon (Received April 21)

No. 217 Telegraphic: by bag [Confidential/General/199/3]

PARIS, April 20, 1921

The Conference of Ambassadors met this morning under the presidency of Monsieur Jules Cambon and discussed the following questions:— . . .¹

9. On reports from the Naval Advisers it was decided:—

- (a) to order the destruction of certain Diesel engines for submarines which were being manufactured in Germany for Holland, contrary to the provisions of the Treaty of Versailles.
- (b) to permit the German Government to transform for the use of its hydrographic service two small German gun-boats, the 'Panther' and the 'Meteor'.

10. The Conference had before it a note² from the German Delegation (copy of which was enclosed in my despatch No. 1105 of the 13th instant)³ regarding the delivery of locomotives by Germany to Poland. The German Government declared that under present circumstances, and in view of the menacing attitude adopted by Poland towards Germany, it could not at the present moment hand over these locomotives. Marshal Foch had prepared a memorandum refuting the German allegations regarding Polish concentration on the German frontier (copy of which I enclose in my despatch No. 1157 of to-day's date),³ and said that there was no more concentration of Polish troops on the German frontier than, for instance, on the Russian frontier. It was decided to draw the attention of the German Delegation to the facts as given by Marshal Foch. . . .¹

¹ The sections omitted referred to other matters.

² Not printed. This note of April 9 referred to the Allied decision of March 25 that 354 German locomotives should be delivered to Poland by April 26.

³ Not printed.

No. 603

Lord Hardinge (Paris) to Earl Curzon (Received April 28, 1 p.m.)

No. 231 Telegraphic: by bag [Confidential/General/199/3]

PARIS, April 27, 1921

The Conference of Ambassadors met this morning under the presidency of Monsieur Jules Cambon and discussed the following questions. . . .¹

¹ The sections omitted referred to other matters.

(4) The Conference decided, on the recommendation of the Allied Military Committee of Versailles (see my despatch No. 1186 of April 22nd)² to reject the proposal of the German Government to the effect that the following decisions of the Supreme Council and the Conference of Ambassadors should be submitted to an arbitral tribunal:—

(a) The definition of excess war material (see my telegram No. 1307 of 8th November, Section 8).³

(b) The armaments of fortresses (see my telegram No. 196, Section 2 [2]).⁴

(c) The list of authorised munition factories (see my telegram No. 157, Section 5,⁵ of March 22nd).

² Not printed.

³ Section 8 of this telegram read: 'To refuse to allow the German army to be armed with revolvers except in specified cases.' See Vol. X, No. 314.

⁴ No. 598.

⁵ This section ran: 'The Conference decided to reject the German protest against the composition of the list of factories which Germany is to be allowed to retain for the manufacture of war material, and which has been embodied in the statement approved by the Supreme Council on the 29th January. . . .'

No. 604

Memorandum by Mr. Brooks¹ on the fulfilment by Germany of obligations under Parts X and XII of the Treaty of Versailles
[C 8686/8686/18]

FOREIGN OFFICE, April 27, 1921

The question of the extent to which Germany has fulfilled her obligations under the Treaty of Versailles, especially in regard to reparation, being now under consideration by the allied Governments, it will be useful to examine how far her obligations under other parts of the treaty still remain unexecuted. This memorandum is confined to Part X (Economic Clauses) and Part XII (Ports, waterways and railways) of the treaty. While, on the whole, it may be said that the German Government have satisfactorily carried out the conditions imposed by these parts of the treaty, there is one very important matter in which the German Government are still in default, and in which they are, moreover, showing no disposition to conform to their treaty obligations. This is placed first amongst the four cases dealt with in this memorandum.

1. *The issue by the German Government of Emigration Licences to British Shipping Companies (Articles 321, 322, 327 & 273)*

The great importance from the point of view of this country of securing that British companies should obtain a share in the emigration traffic through and from Germany was expressly emphasized by the British Delegation to the Peace Conference, who pressed for the insertion in the Treaty of Versailles

¹ A member of the Central Department of the Foreign Office.

of special provisions to secure freedom of transit and equitable treatment for shipping. The early settlement of this question is now even more vital, owing to the present unfavourable shipping situation and the increasingly keen international competition.

The German Government, after having adopted, in regard to the applications of British companies, a policy of excuses and procrastination for nearly a year, have recently granted licences to two British companies, but have refused them to others. This treatment is based upon vague and largely irrelevant grounds, such as the necessity for restricting emigration from Germany.

Even in the cases where a licence has been granted, conditions have been attached which are at complete variance with the terms of the treaty.

It should be noted that German obstruction in this matter affects mainly persons of non-German nationality passing in transit through Germany, of whom the major portion of the emigration traffic consists. The German attitude is therefore all the more unwarrantable.

H.M. Government are continuing energetic representations to the German Government, and the Prime Minister's attention was drawn to the matter prior to the recent meeting of the allied Prime Ministers at Lympne,² regarding the further measures to be taken against Germany. In addition, the desirability of concerted action at Berlin in co-operation with the French Government, who are also interested, is now under consideration in London by expert representatives of the two Governments.

2. Detention of allied vessels proceeding through the Kiel Canal (Article 380)

Two cases of detention have occurred. In both the reason given by the German authorities was that the ships had cargoes of military material destined for Poland, and that their passage through the canal involved a breach of German neutrality in the Russo-Polish war. The Conference of Ambassadors have protested to the German Peace Delegation against this detention and stated that the terms of article 380 of the treaty cover these cases, and that the detention is therefore a contravention of that article.

3. Differentiation of treatment of allied and German vessels in the supply of bunker coal in Hamburg and Stettin (Article 327)

As a result of enquiries into this matter it has been ascertained that British ships are not allowed, as are German ships, to take German coal when foreign coal stocks are available, and that British ships are charged a considerably higher rate for the foreign coal than the German ships are charged for the German coal. The effect of this is a violation of article 327, which specifies that allied nationals, as well as their vessels, shall enjoy in all German ports the same treatment in all respects as German nationals and vessels; and further that allied vessels shall be treated on a footing of equality with national vessels as regards port and harbour facilities and charges of every description.

² On April 23 and 24; see No. 513, n. 1, and Vol. XV, Chap. III.

4. *Proceedings taken by German nationals in courts in ex-neutral countries for recovery of war debts due by British firms and nationals (Article 296)*

These proceedings are a direct contravention of article 296, which lays down that all questions relating to pre-war and war debts between allied and German nationals must be settled through the allied and German clearing-offices,³ where such offices are set up under the treaty. Several cases of this kind have formed the subject of representations to the German Government. In some cases the German nationals have been restrained from this action, in others no satisfaction has yet been obtained.

H. W. BROOKS

³ See No. 422, n. 6.

No. 605

Mr. Max Muller (Warsaw) to Earl Curzon (Received May 2)

No. 268 [C 8937/415/18]

WARSAW, April 27, 1921

My Lord,

I have the honour to acknowledge receipt of Your Lordship's despatch No. 275 of the 18th instant,¹ enclosing translations of a note from the German Ambassador and of a note addressed to the Council of Ambassadors in Paris by the Chairman of the German Peace Delegation.² The upshot of these communications is that the German Government refuses to deliver over to the Poles the locomotives due to them under the Treaty of Peace for fear that they should be used for military measures against Germany. The note to the Council of Ambassadors expatiates on 'the extensive military measures carried out by Poland on the German frontier during the last few weeks and months' which are alleged to be a cause of such apprehension to the German Government that they request the Allied Powers to give them a guarantee that Poland will not violate the German frontier.

Although these allegations have already been refuted by the Council of Ambassadors on the strength of a memorandum drawn up by Marshal Foch (see Lord Hardinge's telegram No. 217 of April 20th),³ I thought that it might be of interest to Your Lordship to receive an independent statement

¹ Not preserved in the Foreign Office archives. The despatch was presumably a covering despatch for the documents referred to below.

² The note (dated April 8) from the German Ambassador, enclosing a further German note which was subsequently communicated to the Conference of Ambassadors on April 9 (see No. 602, n. 2), requested that 'the British Government should undertake to guarantee that Poland should respect the German frontier, and should not violate the same by any aggressive action'. Mr. Waterlow minuted on April 16: 'What this note means is merely that the Germans are seeking a pretext for refusing to deliver to Poland the locomotives which they are bound to deliver under the treaty. At the same time, since the German Government ask us to guarantee the good behaviour of Poland, an answer is required. We can wait for the Conference of Ambassadors to suggest it.'

³ i.e. No. 602.

from a British source, as information respecting Poland supplied by the French is apt to be biased.

Rumours of the aggressive intentions of Poland have been current here ever since my arrival, but hitherto I have not been able to discover that they had any foundation in fact. On the other hand statements as to important concentrations of German troops on their side of the frontier have been published in Warsaw and telegraphed to London and other places abroad, but these statements have also been found to be devoid of truth.

On March 3rd I addressed to Your Lordship a despatch No. 148⁴ in which I reported that for some time past there had been rumours in circulation as to military preparations by the Polish Government on the German frontier, and that these preparations were alleged by some persons to be the result of an agreement with the French Government that Poland should bring pressure to bear on Germany on her Eastern frontier in order to assist France in enforcing her demands for reparation. Though I did not myself believe these rumours, especially the rumour implying the connivance of the French Government, I arranged with the officer in charge of the Military Mission⁵ to send one of his officers⁶ to Posen to examine the situation on the spot. His report,⁴ of which I forwarded a copy to Your Lordship at the time, may be said to have disproved the assertion that the Polish military authorities were preparing any military adventure against Germany, at all events on the Posnanian frontier.

About the date of the Upper Silesian plebiscite⁷ rumours reached my ears of Polish military preparations for the forcible occupation of that province in the event of the final decision of the Commission and the Allied Governments going against Poland. These rumours have not been of a sufficiently authoritative nature to warrant my reporting them officially to Your Lordship. General Carton de Wiart,⁸ however, kindly arranged to attach one of his officers, Captain Hamilton, to the staff of General Szeptycki, the newly appointed inspector of the military district of Cracow which comprises the Upper Silesian frontier, and instructed him to report if there are signs of any concentration of troops threatening Upper Silesia or of preparations for any such crazy project as I referred to above. General Szeptycki is regarded as one of the most sensible officers of the Polish Army and his presence at Cracow at this juncture is a great safeguard. It is, I am assured, in the highest degree improbable that he would be a party to any scheme that might involve Poland in war with Germany and that he would sooner resign than be made privy to any such mad adventure. The last time that General Szeptycki was in Warsaw, I took the opportunity to ask him straight out whether there was [*sic*] any kind of military preparations in the district under his command

⁴ Not printed.

⁵ i.e. Major Clayton, who was in charge of the Military Mission during General Carton de Wiart's absence on leave.

⁶ Lieutenant-Commander Rawlings, R.N., who acted as a member of the Mission, was sent to examine the situation.

⁷ i.e. March 20. See Part I, Chap. I, and Vol. XI, Chap. I.

⁸ See n. 5.

which might be interpreted as threatening Upper Silesia. He assured me most categorically that there was nothing of the kind though at the same time he told me that he naturally had troops ready to occupy such parts of Upper Silesia as were assigned to Poland and that he would be in personal command of the occupying troops.

About the same time the French Minister had an interview with Marshal Pilsudski⁹ who gave him similar definite assurances that the Polish Government had no idea of taking aggressive action in Upper Silesia.

It is difficult to disbelieve these categoric statements so far as any regular military preparations are concerned, but on the other hand former experience forbids me to exclude from the realm of possibility a *coup de tête* on the part of some Chauvinistic military commander; and I am not at all convinced that such rash action might not meet with the secret approval, if not the actual support, of some of the generals belonging to the French Military Mission. Such a contingency cannot be left entirely out of our calculations, and I can only trust that if any scheme of this description is on the tapis, the necessary preparations will not escape Captain Hamilton's notice. Up till now there is no sign of any such project and I cannot help feeling that even the most short-sighted Polish swash-buckler must realise that a raid on Germany is a very different undertaking to a raid on Lithuania.

The question raised by the German complaint at the Council of Ambassadors, being one primarily of military character, I asked General Carton de Wiart for his views. He tells me that he entirely discredits those rumours of active preparations on the part of the Poles for aggression against Germany. The statement as to the military position of Germany being greatly inferior to that of Poland he characterises as humbug, as the Poles could not, in his opinion, compete with the Germans militarily for more than a very few days, and Marshal Pilsudski, as he knows from private conversation, is under no illusion as to the possibility of the Poles standing up against the Germans single-handed.

General Carton de Wiart does not deny the existence of secret organisations both on the Polish and on the German side, and he admits the possibility of the Poles doing something rash if the final decision about Upper Silesia is too unfavourable to them. He submits, however, that it would be better if the German Government, instead of formulating vague and general accusations, would state some concrete facts to substantiate them, as in that case it would be easier to ascertain the truth and set their minds at rest.

General de Wiart has furnished me with a note (copy enclosed)⁴ on the demobilisation, present dispositions, and numbers of the Polish army, which certainly appears to bear out his statement that there is no truth in the reported Polish preparations of military action against Germany. Indeed the demobilisation on the extended leave principle has now made such progress as to afford most convincing proof of Poland's pacific intentions.

General Carton de Wiart has also shown me a letter from Captain Hamilton from Cracow in reply to a telegram enquiring whether there was any

⁹ President of Poland.

truth in the report that the Poles were raising a division of Silesians at Benjin and Sosnowice. Captain Hamilton states that there is no truth at all in the report; that 5000 Silesians appear to have presented themselves unbidden at the two places mentioned but their offer of service was refused, 4,500 being sent back to Silesia and the remaining 500 dispersed. Captain Hamilton adds on the authority of General Szeptycki that there is to be no increase in the Polish troops in his district in spite of the fact that the Germans have got approximately 35 squadrons of cavalry in areas where they could quickly be brought into action and two infantry regiments with all the machinery complete to transform them into two divisions. Nevertheless the authorities at Warsaw will not allow General Szeptycki to put a single man on the Silesian front.

Rumours of military preparations are by no means confined to one side. A few days ago the Polish newspapers announced that the Germans were preparing to invade and annex the plebiscite area, the concentration of troops on a large scale being conducted quite openly close to the frontier. Troops were said to be arriving from all parts of Germany, among the latest arrivals being 18,000 Bavarians, partly regulars & partly Orgesch,¹⁰ while Breslau was described as swarming with soldiers.

I have, &c.,
W. G. MAX MULLER

¹⁰ See No. 105, n. 1.

No. 606

Memorandum by Mr. Wigram¹ entitled 'What have the German Government done since Paris?'

[C 9281/13/18]

FOREIGN OFFICE, April 30, 1921

Military

(a) The new military law (*Wehrgesetz*) was promulgated on March 23rd—eight days late on the Paris decision.

(b) A law dissolving the *Einwohnerwehr* and similar unauthorised forces and societies and requiring the surrender of their arms was promulgated on March 22nd—eight days late on the Paris decision.

(c) The army reduced to 100,000 men in accordance with the Treaty does not completely conform to the Treaty in certain technical details such as excessive personnel in central administration, existence of certain cyclist and railway pioneer companies.

(d) The police are still in excess of the number authorised at Boulogne.

(e) The German Government have suggested that the definition of excess war material, fortress armaments and the list of authorised munition factories (see paragraphs 2 (a), 1 & 2 (d) and (e) of the Paris decisions) should be referred to arbitration.

¹ A note states that this document was 'given to Lord Curzon for the Supreme Council Ap. 30. '21'. See Vol. XV, No. 74, n. 7.

Naval

No record as to the progress made since Paris is available at the Foreign Office, but I have always understood from the Admiralty that the naval points mentioned at Paris are without importance.

Aerial

No recent information from the Air Ministry is available, but if the French raise the question of the refusal of the Germans to prohibit the manufacture of civil aircraft according to the Boulogne decision, it should be remembered that there is no reason why the Germans should comply with this decision, which is not covered by the Treaty.

The French Statement that the German Government have identified themselves with the Bavarian Government in the Refusal of the latter to disband the Einwohnerwehr

This statement is without any foundation in fact. The German Government promulgated a law dissolving the *Einwohnerwehr* throughout the whole of Germany on March 23rd, and short of the use of force which would presumably split the Reich, they have done all they could be expected to do to induce Bavaria to comply with the Paris decision. The Bavarian Government claim that the *Einwohnerwehr* are not a military organisation within the meaning of the Treaty, and with the present disturbed conditions in Germany flatly refuse to touch the *Einwohnerwehr*. Our information is that any Bavarian Government which tried to do so would fall immediately.

It is a fact that the Bavarian Prime Minister made the following statement on March 15th, 1921:—

‘I cannot agree in present circumstances to the disarmament or dissolution of our *Einwohnerwehr*, nor can I condemn those who refuse to let themselves be disarmed.’

In any discussion with the French on Disarmament attention ought to be drawn to the considered view of the British War Office, which is that the vital clauses of the Treaty with the exception of the disbanding and disarmament of the *Einwohnerwehr* have been in the main executed.² The execution of the remaining articles of the Treaty can be carried out if the Allies are ready to compromise on questions which in no way affect their vital interests, but upon which compromise is necessary unless the allies desire by insisting to bring about the dismemberment and possibly the disintegration of Germany.

² See No. 573, n. 1.

Inter-Allied Military Commission of Control (Berlin) to the War Office
(Received May 2, 5.30 p.m.)¹

No. V. 132 *Telegraphic* [C 9220/13/18]

Secret

BERLIN, May 2, 1921, 12.30 p.m.

General Nollet has received instructions by wire to proceed to London.

For your information, present situation is as follows. Fortress guns Königsberg, Boyen, Cüstrin have not been surrendered nor secondary armament, including quantity of Harness carriages, trench mortars, machine guns, rifles. Our equipment scales for Reichsheer, which are more generous than those of the British and French Armies have been refused by Germans. *Post bellum* factories not agreed. Bavarian organisations not disbanded and arms have not been surrendered. Surrender and destruction of guns, rifles and ammunition otherwise satisfactory, machine guns doubtful. In my opinion German Government are being misled by military party although they are of course responsible.

¹ A copy of this telegram from Major-General the Hon. Sir F. R. Bingham was sent to the Foreign Office on May 4.

CHAPTER V

Reparation by Germany: Economic and Military Sanctions

May 6–August 12, 1921

No. 608

Lord Kilmarnock (Berlin) to Earl Curzon (Received May 8, 3.55 p.m.)

No. 199 Telegraphic [C 9370/13/18]

BERLIN, May 8, 1921, 1.10 a.m.

Efforts to form new Government¹ have not so far been successful. Minister for Foreign Affairs told me to-night that he did not expect new Government would be formed before Monday night² as parties had yet to come to a decision as to attitude to be adopted towards allied ultimatum.³ Latest report in press is that Doctor Mayer (German Ambassador in Paris) was asked to form Cabinet but that he has been unable to do so.

On the whole chances of acceptance of allied demands have declined during the day. Two distinct sources in touch with widely different sections of opinion have informed me that this is owing to fear that economic sacrifices entailed by signature would be in vain on account of disarmament clauses. It is feared that even if reparation clause were accepted (of which there was distinct prospect) French would still be able to find pretext for occupation of Ruhr owing to difficulty of enforcing disarmament of Einwohnerwehr on a recalcitrant Bavaria in time available under ultimatum. This feeling has been seriously increased by speech made by Monsieur Briand on May 5th in which he is reported in German press as having stated that May 30th is day by which Einwohnerwehr must have been dissolved.⁴ It is argued that this only gives a fortnight from expiry of ultimatum for carrying out this difficult operation and that technical difficulties render its accomplishment in so short a time impossible. I was assured that if any assurance could be given by His Majesty's Government that an honest effort by a Cabinet including really democratic elements to solve this problem, even

¹ Herr Fehrenbach's Cabinet had resigned on May 4.

² i.e. May 9.

³ See Vol. XV, No. 87.

⁴ In his despatch No. 1321 of May 6, not printed, Lord Hardinge reported that immediately upon his return from London, on May 5, M. Briand had received the representatives of the press. Lord Hardinge enclosed a copy of an article in *Le Petit Parisien*, dated May 6, 'giving the substance of M. Briand's declarations' which had been 'reproduced with slight variations in all the other morning papers'. The date in question was given in this article as June 30.

if not entirely successful by so early a date, would suffice to avert occupation the chances of finding a Government ready to accept Allied terms would be enormously increased. I said I could hold out no hope of such an assurance but pointed out that date mentioned in Paris decisions was June 30th⁵ and that it was possible that Monsieur Briand had been mis-reported. If that were so six weeks would be available instead of a fortnight. It was admitted that this would make a great difference. Curiously enough, both my informants suggested, if a Cabinet could be formed ready to accept financial provisions and if disarmament question alone stood in the way, that Allies should, instead of occupying Ruhr, proceed to carry out disarmament of Bavaria themselves. I pointed out that apart from other objections number of troops required in that case would be greatly increased owing to length of lines of communication, but I think suggestion worth reporting to Your Lordship as it seems regrettable that acceptance of our financial demands, which are after all the most important part, should be jeopardised by this less essential consideration. It may, of course, be that suggestion in question has merely been put forward in hope of entrapping us into making an unnecessary concession, but I am inclined to think real, if not insuperable, difficulties would be encountered by any German Government which desired, however honestly, to bring about effective disarmament of Bavarian Einwohnerwehr within limit of time indicated by Monsieur Briand, if he has been correctly reported.

It has occurred to me that desired effect of bringing Bavaria to heel might be attained by a declaration by Allies—or indeed by any single Allied statesman—that in the event of Central Government failing, in spite of honest endeavour to do so, to secure compliance of Bavaria with disarmament conditions, action of Allies might not be confined to occupation of Ruhr but might in addition be directly applied to the recalcitrant state. Such a declaration, whilst in no wise departing from our announcement of intentions, would I believe enormously strengthen the hands of Central Government, and whilst appearing to stiffen our attitude would in reality render it more easy for our reparation demands to be accepted.

⁵ See Vol. XV, p. 109, and p. 111, n. 2.

No. 609

Mr. Gosling¹ (Frankfort) to Earl Curzon (Received May 10, 11 a.m.)

No. 10 Telegraphic [C 9568/2740/18]

FRANKFORT, May 9, 1921, 10.45 p.m.

Public opinion in South Germany (with the exception of Bavaria) is in favour of acceptance of Allied terms. Governments of Hesse, Baden and of Wurtemberg are putting pressure on Berlin in this sense. Influence of South Germany on Central Government is a powerful one but this influence is now

¹ H.M. Consul-General at Frankfort.

to a great extent counter-balanced by the effect produced in North Germany by Polish rising in Upper Silesia.² I believe that a clear indication on the part of the Allies to the effect that they intend to take energetic and impartial measures to restore order in Upper Silesia, would have the effect of increasing the pressure already made by South Germany on Berlin in favour of acceptance of Allied terms.

Repeated to Berlin and Coblenz.

² The insurrection broke out in Upper Silesia on the night of May 2-3; see Nos. 27 ff.

No. 610

Sir A. Geddes (Washington) to Earl Curzon (Received May 10, 11.15 a.m.)
No. 315 Telegraphic [C 9627/2740/18]

WASHINGTON, May 9, 1921¹

My telegram No. 284.²

Republican leaders in House of Representatives have decided to postpone for the time being presentation to the House of Knox's peace resolution. There is good reason to believe that this decision is due to private intimation from White House that passage of resolution at present juncture could only have effect of encouraging Germany's resistance to allied demands and affords evidence that House is much more amenable than the Senate to pressure from the Executive. There can be little doubt that postponement of resolution is clearly connected with decision to be once more represented in allied councils.

¹ The time of despatch of this telegram is not recorded.

² Not printed. This telegram reported the passing of the Knox resolution by the Senate on April 30; see No. 470, n. 4.

No. 611

Earl Curzon to Lord D'Abernon (Berlin)
No. 98 Telegraphic [C 9536/416/18]

Very urgent. Private

FOREIGN OFFICE, May 10, 1921, 9.25 p.m.

If, as we hope, German Government is formed which will accept Allied terms, it is very desirable that this should be done in sufficient time to give no excuse for military action being taken by Allied forces, either at expiration of stated term, or, which is not altogether inconceivable with the French, even before. Furthermore, reply of German Government should be sent to all Allied Governments so as to avoid risk of its failing to reach the various destinations.

Earl Curzon to Lord D'Abernon (Berlin)

No. 99 Telegraphic [C 9536/416/18]

FOREIGN OFFICE, May 10, 1921, 9.30 p.m.

Your telegrams Nos. 202 and 204 of 9th May.¹

The questions raised by Dr. Stresemann affect, in the majority of cases, the Allies as well as ourselves. While, therefore, we are quite willing to state our own opinion and are communicating it to the Allied Governments with the expression of a hope that they will concur and will instruct their representatives at Berlin accordingly, we cannot at this stage commit them to full acceptance of our views.

Subject to this reservation you may return following answers:—

1. The intention of paragraph quoted from communication of Reparations Commission was to enable the Allied Powers to receive payments in kind for other purposes than reparation of actual war damage; no right is claimed of demanding particular articles which have already been manufactured, but only of placing orders on commercial lines in Germany for such articles to be manufactured and delivered and the value to be credited to German reparation account. This proposal was inserted at our suggestion, and was in no sense intended to injure German industries, but rather to make payment easier to the debtor by introducing a more flexible method. Moreover, it was contemplated that recourse to this method should be kept within narrow and reasonable limits, and that, if necessary, definite assurances on this subject would be sought by us from the other Allied Powers, while any such orders must of course receive the prior approval of the Reparations Commission.

2. The second question is one on which we can speak definitely for ourselves. It was our intention to retain 'The German Reparation (Recovery) Act, 1921,'² in operation in order to enable us to exercise the option of collecting sums due for reparation in the United Kingdom instead of in Germany, should we so desire; but no increase in the total burden on Germany would thereby be involved, since it was not our intention to collect more than the 26 per cent. contemplated in the protocol. The above explanation relates

¹ The telegram here printed and also the telegrams referred to, Nos. 202 and 204 of May 9, not here printed, are published in D'Abernon, vol. i, pp. 167-8, 164-6, and 166-7, respectively. In his diary Lord D'Abernon wrote: 'BERLIN, May 12, 1921.—Stresemann called upon me this morning and I communicated to him the substance of Lord Curzon's telegram giving the British Government's replies to his four questions. Never did the communication of a diplomatic document cause greater emotion. As I read out one answer after another, it was evident that the communication from London was of profound importance to German politics. It appeared to me that what was going through S.'s mind was the reflection that, had the answer—so unexpectedly favourable in its tenor—been received forty-eight hours sooner, there would not have been a Wirth Cabinet [see No. 615, below], but a Stresemann Cabinet.'

² See Nos. 459 and 495, n. 3.

only to the policy of His Majesty's Government towards reparations from Germany, and does not, of course, affect our freedom as regards the general fiscal policy which we may find it necessary to adopt towards all nations irrespective of reparation.

3. This question was not specifically raised at the recent Conference,³ but in our opinion the sanctions imposed on 8th March, especially those involving the occupation of Düsseldorf, Duisburg and Ruhrort and the Rhine customs, ought to be cancelled in the event of Germany accepting the ultimatum, and we are communicating this opinion to the French Government.

4. Silesia: It is impossible, without prior consultation with our allies, to give assurance asked for in concluding paragraph of this sub-section. But in our discussions with our allies German Government may rely upon our desire to pay due regard to the important German interests involved and to press for equitable settlement on basis of strict and impartial execution of Treaty of Versailles.

While Cabinet was sitting to-day the German Ambassador called and was received by the Prime Minister, who answered the same questions, when put by him, in the above sense.⁴

By far the most important consideration is that a German Government should be found able and willing to accept the terms laid down in London, and thus escape the calamitous consequences that will otherwise ensue.

Prime Minister further advised German Ambassador that if his Government decide to accept they should not attach any conditions to their acceptance. This might provoke the very consequences which it is desired to avoid. (Repeated to Paris, No. 235; Rome, No. 186; and Brussels, No. 77.)

³ The London Conference of April 30 to May 5, see Vol. XV, Chap. IV.

⁴ According to a note of the Prime Minister's statement which was communicated to Lord Curzon by Sir M. Hankey, the German Ambassador also asked where Article 234 of the Treaty of Versailles stood. Mr. Lloyd George replied that the clause, giving the Germans the right to approach the Reparation Commission for an extension of time or an abatement, still stood but that, once the bonds were distributed to other Powers including Neutrals, it would be of little use to go to the Reparation Commission for relief. The Prime Minister then went on to impress upon Dr. Sthamer that it would be difficult for M. Briand to take a view favourable to Germany on Upper Silesia when French opinion was incensed about reparation

No. 613

*Earl Curzon to Lord Hardinge (Paris), Sir G. Buchanan (Rome)
and Sir G. Grahame (Brussels)*

No. 236¹ Telegraphic [C 9536/416/18]

FOREIGN OFFICE, *May 10, 1921, 9.40 p.m.*

My telegram No. 99 to Berlin.²

You should at once inform Government to which you are accredited that, having been asked by His Majesty's Ambassador at Berlin what were our

¹ No. 236 to Paris, No. 187 to Rome, No. 78 to Brussels.

² No. 612.

views on questions (1) and (3), we replied, speaking for ourselves, in the sense indicated in my above telegram. If, as we hope, Government to which you are accredited concur in our interpretation, we shall be glad if they will issue immediate instructions to this effect to their representative at Berlin. Such a step, if taken promptly, may exercise a very material influence on decisions about to be taken at Berlin, where the formation of a Government able and willing to accept Allied terms is of supreme importance.

(Repeated to Berlin, No. 100.)

No. 614

Lord D'Abernon (Berlin) to Earl Curzon (Received May 11, 9.30 a.m.)

No. 208 Telegraphic [C 9633/2740/18]

BERLIN, May 11, 1921, 2.15 a.m.

Both Doctor Schiffer, leader of Democratic Party, and Doctor Stresemann, leader of German Peoples Party, have been separately to see me in order to ascertain precise meaning of certain clauses in ultimatum and financial scheme.

I told them that I had no authority to interpret these documents which had to be understood as they are written.

Stresemann further asked whether British proposal to hand over certain portions of Upper Silesia at once to Germany and Poland did not indicate intention on the part of England to make industrial district into an independent buffer state under allied control.¹

I replied that I had never heard of this idea which appeared to me preposterous.

They both endeavoured to obtain some kind of promise that acceptance of ultimatum would secure for Germany retention of industrial district. I replied, but in a quite friendly manner, that no engagement of this nature could be considered. We were acting in a quasi-judicial capacity and had to conform to Treaty of Versailles.

¹ See No. 36.

No. 615

Lord D'Abernon (Berlin) to Earl Curzon (Received May 11, 9.20 a.m.)

No. 209 Telegraphic [C 9634/416/18]

Urgent

BERLIN, May 11, 1921, 2.15 a.m.

Midnight.

Ministry has been constituted with Doctor Wirth, late Minister of Finance, as Chancellor and Minister for Foreign Affairs. The other portfolios are divided amongst Majority Socialist Democrats and Centre; the only names

of particular note being Schiffer who is Minister of Justice and Bauer Socialist who is Vice-Chancellor.

Ministry is constituted on basis of acceptance of ultimatum.

Doctor Wirth is a South German of good reputation and is said to have been always in favour of larger concessions regarding reparations than his late colleagues. He was hostile to original Simons' proposal in London, considering this inadequate and unacceptable.

Reichstag debate commenced this evening at 8 and still continues.

I will telegraph result of voting later.¹

¹ In his despatch No. 713 of May 12, not printed, Lord D'Abernon stated: 'In my telegram No. 212 [in fact telegram No. 210] of the 11th instant I had the honour to report that the Allied ultimatum had been accepted in the Reichstag by 221 votes to 175. The exact official figures that have now been published show a slightly smaller [*sic*] majority of 220 votes to 172, with 1 abstention. Seventy-six absentees complete the total number of 469 Members of the Reichstag.'

No. 616

Lord D'Abernon (Berlin) to Earl Curzon (Received May 12, 9.20 a.m.)

No. 215 Telegraphic [C 9720/416/18]

BERLIN, May 11, 1921, 8 p.m.

Final result of yesterday's proceedings was more satisfactory than at one time seemed possible.

Main credit belongs to Wirth and to Schiffer.

Ministry constituted as it is, though weak in numerical support is more free from military, monarchical and old bureaucratic taint than its predecessor and is in many respects preferable to Simons' combination.

I regard acceptance of office by majority Socialists as a notable gain both from point of view of internal stability and from that of relations to Foreign Powers. So far as may be consistent with our general policy it would be desirable at an early opportunity to give new Government some proof of our goodwill.¹

¹ Sir E. Crowe minuted on May 12: 'I think we ought to be careful not to let ourselves be rushed into demonstrations of friendship for the German Govt. They have acted wisely in accepting the allied demands. But this is because they have taken a sound view of German interests, and not because they wanted to show particular friendliness to H.M.G. We ought not therefore to appear anxious to reward the German Govt. as if they had rendered a service to us. [Lord Curzon commented: 'I entirely agree'.] And in any case we ought to see a little more clearly what action they will take to give effect to the undertakings they have now given.' Lord Curzon further commented: 'I always disliked the idea—where a scamp for prudential reasons behaves—of belauding and rewarding him for his prudence. There is no altruism in the latter.'

No. 617

Lord D'Abernon (Berlin) to Earl Curzon (Received May 13, 3.30 p.m.)
No. 217 Telegraphic [C 9865/416/18]

BERLIN, May 12, 1921, 11.50 a.m.

Three important ministries have been left unfilled in the new Government—Foreign Affairs, Finance and Reconstruction.

Probable intention is to fill them with representatives of German Peoples Party or with candidates agreeable to that section.

As I may be called upon to express an unofficial opinion regarding the suitability of certain persons I should be glad to have views of His Majesty's Government on the following:—

Rosen, now Minister at the Hague: was considered unsuitable last year but no special reason assigned.¹ (? He has) English wife and is thought to be anglo-phil. He is strongly recommended by competent persons but is said to be objected to by the (? French Government).

Bernstorff.² Americans consider this unsuitable appointment.

Kardorff. One of five members of German Peoples Party who voted for acceptance, said to be cultivated and moderate.

Rosenberg. Now Minister at Vienna.

Cuno. Director of Hamburg-American Line.

Bermann. Late German representative in Paris in liaison with the Reparations Commission. I found him honest but slow at Brussels.

Stresemann. Leader of German Peoples Party.³

¹ Dr. Friedrich Rosen. See No. 517, n. 2, and Vol. IX, Nos. 228 and 240.

² See No. 548, n. 1. Count Bernstorff had been German Ambassador in Washington from 1908 to 1917.

³ Lord Curzon replied in his telegram No. 109 of May 16: 'You are authorised to allow it to be understood that grave objections would be entertained to the selection of either Dr. Rosen or Count Bernstorff. You should avoid expressing any opinion or preference in regard to the other candidates mentioned.'

No. 618

Lord Hardinge (Paris) to Earl Curzon (Received May 14, 8.30 a.m.)
No. 268 Telegraphic: by bag [Confidential/General/199/3]

PARIS, May 13, 1921

The Conference of Ambassadors met this morning under the presidency of M. Jules Cambon and discussed the following questions, the Belgian Ambassador being also present for part of the meeting:—

1. The position in Upper Silesia was again examined, and the discussion was reported in my telegram No. 269 of to-day.¹

¹ No. 58.

2. A representative of the Reparation Commission attended to explain the views of the Reparation Commission as set forth in their note enclosed in my despatch No. 1384 of to-day's date,² regarding the allocation of the monies resulting from the sale of military, naval and aeronautical material and scrap. I was prepared to accept the scheme propounded by the Reparation Commission, with the exception of the proviso in regard to naval material, which according to Article 8 of the Inter-Allied Agreement arrived at at Spa in July 1920,³ is not to be credited to the German Reparation account, but is to be divided amongst the principal allied Governments. The Reparation Commission now stipulate that this agreement can only take effect if accepted by the German Government. On this point being raised, however, it became apparent that the whole of the scheme propounded by the Reparation Commission was already the subject of direct discussions between the Reparation Commission and the allied Governments, and it was not clear whether the points at issue were to be settled by the Conference of Ambassadors or by means of such direct negotiations. I understand that His Majesty's Government have already informed the Reparation Commission that they accept the scheme as a whole, but that they have reserved their views as regards the disposal of naval material. In these circumstances it was decided to adjourn this question in order to give time to clear up the situation. I shall be glad to learn whether Your Lordship desires me to discuss the matter further at the Conference of Ambassadors, or whether His Majesty's Government intend to deal with the matter direct with the Reparation Commission. The latter course would seem to be the more suitable, inasmuch as the point at issue is the application of a decision of the Supreme Council and in such a matter it may be difficult for the Conference of Ambassadors to impose its views on the Reparation Commission.

According to the Reparation Commission scheme the proceeds of the sale of aeronautical material are credited to the German reparation account. This is in accordance with the views of His Majesty's Government as stated in Your Lordship's despatch No. 687 of March 7th.⁴ It is, however, contrary to decisions previously taken by the Conference of Ambassadors (see my telegrams Nos. 674⁴ of June 5th, 1920, section 5 and 73⁴ of February 2nd,

² Not printed. The Reparation Commission's proposed rules were: (1) Germany would be credited for Armistice deliveries only with materials having non-military value; (2) all materials sold in Germany would *prima facie* be deemed to have non-military value; (3) material removed from Germany by the Allied and Associated Powers would *prima facie* be deemed to be military material, but Germany would be credited for such part of that material subsequently found to be of non-military value and applied or sold for civilian use.

³ Printed as Cmd. 1615 of 1922.

⁴ Not printed. In telegram No. 674 it was reported that the Conference of Ambassadors had decided to address a letter to the Reparation Commission making it clear that, while 'aeronautical material in Germany should be sold by the Reparations Commission and the proceeds placed to the German Reparation account', it was 'not in any way the intention of the Conference to prejudice the right of ownership' which was 'vested in the principal Allied Governments by Article 202 of the Treaty'. In telegram No. 73 Lord Hardinge reported that the Conference of Ambassadors had decided to refer the difference of opinion

section 3), and likely to meet with opposition from the interested Italian and French Ministries. . . .⁵

between the Reparation Commission and the Conference, concerning the disposal of the proceeds arising from the scrapping of German aeronautical material, to the Supreme Council. To this telegram Lord Curzon replied (despatch No. 687): '... 2. I am advised that, although it is doubtful whether the wording of Article 243 (c) of the Treaty of Versailles was intended to cover the deliveries to be effected under Article 202, it would be difficult to plead that the wording of the article is not wide enough to do so. In any case it is clear that the Reparation Commission have, under Paragraph 12 of Annex II to Part VIII of the Treaty, the power to interpret the article in question. (3) In these circumstances, and if the matter is again raised at the Conference of Ambassadors, I should be glad if Your Excellency would support the action taken by the Reparation Commission. (4) I do not anticipate that the Supreme Council will have the time at their disposal during the present meeting to consider this matter.'

⁵ The sections omitted referred to other matters.

No. 619

Lord D'Abernon (Berlin) to Earl Curzon (Received May 15, 12 noon)
No. 219 Telegraphic [C 9908/2740/18]

BERLIN, May 14, 1921, 5.5 p.m.

I took opportunity of my return visit to Chancellor¹ yesterday to advise him not to wait till last day before carrying through the various engagements of Germany under ultimatum. I pointed out that good impression already made by Germany's acceptance² would be further improved if prompt measures were taken for payment of first milliard, for delivery of arms in Bavaria, and for measures for reducing or disbanding Einwohnerwehr.

His Excellency thanked me for suggestion and said he was in complete agreement with it. Immediate plan (?s would be) prepared and submitted to Cabinet.

He also informed me that since he had . . .³ me in morning there had been Cabinet Council and that all the Ministers had agreed on policy of keeping German population of Upper Silesia quiet. He fully understood importance of maintaining this attitude even under present intolerable provocation. He trusted however that patience of Germans in Upper Silesia would not be put to too prolonged a strain as best efforts of Government might be powerless to prevent retaliation.

¹ See No. 615.

² The German reply, made on May 11, is printed in *The Times*, May 12, p. 14.

³ The text is here uncertain.

No. 620

Sir M. Cheetham (Paris) to Earl Curzon (Received May 15, 10.45 p.m.)
No. 279 Telegraphic [C 9906/2740/18]

Urgent

PARIS, May 15, 1921, 8.26 p.m.

Your telegram No. 236.¹

Reply of French Government just received agrees with Your Lordship's view² as regards paragraph 19 of annex 2³ but insists with extreme vigour and elaborate argument on maintenance of sanctions adopted in March until Germany has given not merely a verbal acceptance of allied terms but also real proof (which does not yet exist) of her will to carry out her undertakings. Note concludes thus: 'It would in any case be impossible for French Government to adopt another attitude; they can therefore only regret that His Majesty's Government should have decided to make, through their Ambassador at Berlin, a declaration of principle on so important a question without previously reaching agreement with allied Governments, and when moreover German Government themselves had not solicited that declaration.'

Copy of note by bag tonight in my despatch No. 1424.⁴

Repeated to Berlin.

¹ No. 613.

² See No. 612.

³ i.e. to Part VIII of the Treaty of Versailles.

⁴ Of May 15, not printed. In a minute following comments by Mr. Brooks and Mr. Waterlow, Lord Curzon wrote of 'the necessity of settling this matter at the forthcoming Supreme Council'.

No. 621

Mr. Robertson (Coblenz) to Earl Curzon (Received May 17, 4.45 p.m.)
No. 64 Telegraphic [C 10116/2740/18]

COBLENZ, May 17, 1921, 2.54 p.m.

Paris telegram No. 279.¹

I would suggest it might be pointed out to French that customs sanction is bound to interfere with Rhineland industry and therefore with German capacity to pay. Customs line is drawn arbitrarily through a most important industrial area. It has of course given rise to great uncertainty and is already adversely affecting industry.

I am strongly of opinion that customs sanction should be withdrawn. As we have now gained experience it would not be difficult to re-establish it later should necessity arise.

Occupation of Rhine coal ports is a more difficult question. Belgians have always complained they have no bridge-head under peace treaty and I anticipate that Your Lordship may have difficulty in inducing them and French to withdraw from the ports. From purely economic point of view, I see no objection to continued occupation.

Repeated to Paris.

¹ No. 620.

Memorandum by Mr. H. W. Brooks on Conditions to be accepted by Germany prior to the abolition of the London Sanctions of March 8, 1921

[C 10243/2740/18]

FOREIGN OFFICE, May 17, 1921

The present memorandum is based upon the assumption that the London sanctions of March 8th will be abolished, the general question of policy—whether such abolition is desirable—being dealt with in a separate memorandum.¹

Herein therefore the only consideration is what conditions, if any, should be communicated to Germany for her acceptance, prior to the cancellation of the sanctions, in order to protect allied nationals and traders against possible discrimination by Germany once the sanctions are removed. This question is chiefly economic as the persons mainly affected will probably be the holders of import and export licences granted by the allied administration during the period of the sanctions.

First, before asking the German Government to accept conditions of this kind, it will be well to take up and settle the question of the legal status of the High Commission in regard to the execution of the various measures necessitated by the administration of the sanctions of March 8th.²

¹ In this memorandum of May 16, not printed, Mr. Brooks discussed French unwillingness to remove the sanctions of March 8 and the danger of unilateral action by France in occupying the Ruhr. He listed the advantages of abandoning the sanctions and concluded: 'It is desired especially to emphasize the following:—(1) The dangers inherent in the present general attitude of the French Government. (2) The necessity for obtaining at once a clear and definite settlement and agreement with the French regarding A. The abolition of the sanctions of March 8. B. The steps to be taken *jointly by the allies* if Germany fails to fulfil the new conditions she accepted on May 11th.'

² On May 11, Mr. H. W. Malkin, an assistant legal adviser to the Foreign Office, sent the following minute to Mr. Waterlow: 'I see from the telegrams that our view is that now that the Germans have accepted the ultimatum the sanctions already applied in Germany should be taken off. Mr. Robertson, who came to see me yesterday, impressed upon me the absolute necessity, when this step is taken, of arranging that the measures taken by the High Commission during the period of the sanctions should in some way be validated. The question particularly arises in connection with import licences issued by the Commission; if no steps are taken to see that these are recognised by the German authorities after the sanctions have been taken off, all persons who imported goods on the strength of such import licences will be liable to punishment, and there will be chaos. I told Mr. Robertson that the only satisfactory solution I could see would be that the High Commission should prepare a Decree, something in the nature of an Act of Indemnity, validating so far as may be necessary the measures taken by the High Commission, and that we should make it a condition of taking off the sanctions that the German Government should accept this Decree and if necessary make it binding on their courts and authorities.'

'Mr. Robertson proposed to take this up as soon as he got back to the Rhineland and to send an official despatch about it, but if there is any possibility of the sanctions being taken off in the near future, perhaps the point should be considered at once.' Lord Curzon minuted the same day: 'I saw Mr. Robertson today. The bulk of his questions have been answered by the German surrender. As to the position of the High Commission I told him that if the

It is suggested that the first step should take the form of action, possibly on the lines suggested in Sir F. Piggott's Memorandum of May 11th,³ in order that the position of the Commission may once and for all be made legally unassailable. Once this is done we can more easily and successfully lay down conditions for the acceptance of the German Government, when it is decided to cancel the sanctions.

So far the conditions proposed are as follows:—

(1) An act of indemnity, to cover all persons within zones at present occupied by the Allies, for acts done during a state of siege under the Allied military authorities, or under any of the ordinances of the High Commission promulgated in the execution of the customs sanction.

(2) Recognition of all the import and export licences issued by the High Commission.

The above two conditions are proposed by Mr. Ryan.⁴

(3) Goods imported under licences issued by the Allied authorities and still in the hands of traders in the Occupied Territory when the sanctions are lifted, shall not be confiscated or subjected to any tax, by way of Customs duty or otherwise, or the free disposal thereof impeded in any way, except as may be provided by the German laws and regulations of general application which may be operative at the time.

(4) Transactions still in process of completion (import or export) under licences issued by the Allied Authorities shall be allowed to be completed on the terms generally applicable to imports into, and exports from, Germany in virtue of such German laws and regulations as may be operative at the time.

(5) The legal validity of all import and export transactions effected under the Allied régime in Occupied Territory shall be recognised by the German Government, and all payments by traders in the Occupied Territory to the

Commissioners felt themselves in a false position I could not understand why they did not address a joint or majority representation, or even individual representations, to their Govts.' In Coblenz telegram No. 63 of May 13, Mr. Ryan reported: 'I have drawn attention of my colleagues to the necessity for action being taken by Allied Governments with German Government to protect persons for acts done under orders of High Commission issued pursuant to decision of the London Conference of March 7th in the event of Allied Governments now withdrawing Sanctions.'

³ Not printed. Sir F. Piggott, to whom the matter had been referred, was a lawyer in private practice and a former Chief Justice of the Supreme Court, Hong Kong. He gave the opinion: 'The High Commission has no inherent power, legislative or administrative; and in face of the Rhineland Agreement, the Allied Governments had no right to invest it with additional powers without the consent of Germany, the other party to that Agreement.' He went on to say: 'The premiss being that the imposition of the Customs Sanction was lawful, I see no objection to the appointment of the High Commissioners at Coblenz personally, though collectively, as the Administrative Authority. But their appointment should have been by separate commission, issued in virtue of the decision of the London Conference, giving them a distinctive title: e.g. the "Inter-Allied Customs Commission". To this no objection could be taken, now or hereafter, either by Germany or any other Power.' He finally advised that: 'an Order in Council might still be issued, and the Ordinances already made by the High Commission, after careful revision, incorporated in it'.

⁴ In his telegram No. 63 of May 13, see n. 2.

Allied authorities, by way of duties or taxes on goods imported or exported, shall be regarded as absolutely freeing such traders from any financial liability to the German Government in respect of such imports and exports.

The latter three points have been put forward by the Board of Trade and are an amplification of Mr. Ryan's second proposal.⁵ The Board suggest that a formal undertaking should be obtained from the German Government on these points.

In requesting such an undertaking the Allies could include condition (1) by asking for German recognition of 'the acts of indemnity to be passed by the legislatures of the Allied Governments concerned', or by the adoption of some more convenient formula.

The French Government are at present strongly opposed to the abolition of the London sanctions. Even if we cannot, as is strongly to be desired, induce them *at once* to abandon the sanctions, it seems probable that the Germans will carry out their new obligations undertaken on May 11th, and thus the time will soon come when the French will not, in the face of Germany's *actual fulfilment* of her obligations, be able to maintain their opposition.

We shall therefore be well advised at once to consider the above conditions. We should also have them discussed by the Rhineland High Commissioners, who are the best judges of the most suitable methods of obtaining the end we have in view, viz., the protection of Allied nationals and traders in the occupied territory from any possible measures which the German authorities may take, in revenge for the allied sanctions, once these sanctions are removed.

H. W. BROOKS

⁵ See (2) above.

No. 623

Lord D'Abernon (Berlin) to Earl Curzon (Received May 20, 11 a.m.)

No. 229 Telegraphic [C 10357/2740/18]

BERLIN, May 19, 1921, 5.40 p.m.

I had long conversation with Chancellor last night.

He said that delay in completing Government was due to fact that he would only accept colleagues who were thoroughly determined to carry through obligations of Germany and who were prepared to work energetically in setting up the necessary financial machinery. There was no use in having colleagues who were less whole-hearted than he was himself. He hoped to come and see me tomorrow or the next day and give me information as to what had been done. As (? things) (? are) at present he would probably keep either Ministry of Foreign Affairs or Ministry of Finance himself.

Regarding Bavaria and Einwohnerwehr he said 'all South (? German) (? States) with the exception of Bavaria are cordially with my policy, so

that Bavaria would be isolated if she resisted. I do not want to give orders to Bavaria as that is the way to make her obstinate, but I have sent down confidential agent to urge them to give way and I am quite prepared to go down myself next week if it is necessary'.

Chancellor appeared extremely anxious regarding Upper Silesia.¹ He said he had given strictest orders to guard against any folly on the part of free bands or volunteer military organisations. Government had gone so far as to order railways not to give transport to anything that looked at all dangerous or aggressive. He said he could count absolutely upon Von Seeckt in this matter and he would stand no nonsense from any free bands. Germany had had enough of these gentlemen on previous occasions. At the same time position of German population in Upper Silesia was terrible.

I again urged upon Chancellor great importance of not only being punctual in making payments provided for under ultimatum, but of forestalling obligations by at least a few days.

He said that necessary orders agreeable to this advice had been given and would unquestionably be carried out.

Although Chancellor is optimistic and is convinced that his policy is endorsed by a large majority in the country, impression he makes is that of an honest and courageous man engaged upon task of almost super-human difficulty without adequate assistance. He is in this dilemma—socialists are against admittance of German People's Party to Government, but if People's Party are not admitted (? there will be) a preponderant (? Socialist) resistance in Government, and socialists are bound by conviction, but still more by past declarations, to resist increases of indirect taxation.

On the other hand without increase of indirect taxation financial position cannot be put straight.

¹ See Chap. I.

No. 624

Lord D'Abernon (Berlin) to Earl Curzon (Received May 26)

No. 733 [C 10876/508/18]

BERLIN, May 19, 1921

My Lord,

The remarkable rise in German values which has followed upon the acceptance of the Allied ultimatum is no doubt primarily due to the reason ascribed in the German press, namely, that the immediate danger to German prosperity involved in the policy of sanctions has been removed, and that Germany can now settle down to work and produce in comparative peace and quiet.

It is a significant fact that the £ sterling, which on the 7th May was quoted at 263 M., and on the 9th May at 268 M., fell on the day after the acceptance of the ultimatum to 250 M., and three days later to 232 M. At the time of writing the £ sterling stands in the neighbourhood of 234 M. There has also

been an almost sensational upward movement in the price of German Imperial loans. Thus—the 3 per cent.—the highest quotation of which in 1914 was 78·90, exchanged hands on the 17th May at 78·25, and this upward tendency continued yesterday.

This rise in values is in the main to be attributed to heavy purchases abroad, and, above all, in the United States. According to my information it would appear that American purchases are taking place, not merely on the assumption that German prosperity and German credit are likely to improve owing to the acceptance of the ultimatum, but also in view of the passage in the Senate of the Knox resolution,¹ and the consequent prospect of a re-establishment of normal relations between the United States and Germany with the corollary of an increase in commercial intercourse and a further expansion of German exports.

It does not appear to me that large acquisitions by foreigners of German Government scrip at the present time are founded on any very logical factor, since to pay nearly 80 M. in order to receive 3 M. is the same thing as paying 80*l.* for a yearly return of 3*l.*, and the investor is therefore laying out his money at a lower rate of interest than he could obtain if he were to invest in the public securities of other countries. The idea at the back of the mind of the purchaser must therefore be that the purchasing value of the mark and consequently its value in the international market, will so greatly increase that the investment will, in fact, return 9, 10 or even a higher percentage in the near future.

Any permanent substantial rise in the purchasing value of the mark appears to me, however, under existing conditions, to be so doubtful that I venture to think that if this idea underlies the recent heavy purchases it is a conception which may well not be realised.

The main reason for the mark standing in the neighbourhood of 240 to the £ is the amount of paper money in circulation in this country in proportion to circulation requirements. No great improvement in the valuta would appear probable except after an alteration in this relation. Now, so far from the printing press having stopped printing notes, it has recently resumed its activities to a quite undesirable degree.

Leaving aside, however, speculative views on a highly controversial question, it appears constant that the acceptance of the Allied ultimatum is generally interpreted to connote, not the ruin of Germany, but a proximate revival of German prosperity. This interpretation appears to follow naturally upon any impartial consideration of the terms which the German Government have now promised to fulfil. Put briefly, the German Government have contracted to supply the Allies with services or goods or money, if such services and goods be not sufficient, to the amount of 2,000 million gold marks a year, and in addition to pay to the Allied Governments a sum amounting to 26 per cent. of the value of German exports. Such conditions are obviously more advantageous to this country than the obligation to pay a fixed yearly sum, since, speaking in broad terms, the amounts will only be

¹ See Nos. 470, n. 4, and 610, n. 2.

disbursed as and when they shall have been earned in respect of foreign trade. If the German export trade cannot stand an all-round levy of 26 per cent. then, in so far as this inability exists, the 26 per cent. will in effect not be collected.

With regard to the amount which the levy of 26 per cent. will produce now or can produce in the near future—this is obviously at the present time too much a matter for speculation to make it possible to form any accurate estimate. Complete statistics for the year 1920 are not available, but I understand that the total value of German exports during 1920 can roughly be estimated at 200,000,000*l.*, while the experts of the 'Commission des Réparations' here estimate that during 1921 Germany will export to a total value of 400,000,000*l.*, or, in other words, to a little less than half the volume of German exports in the year 1913, since, in making this calculation, the values have been doubled as compared with pre-war values. These previsions may be optimistic, but if calculation is based upon them the amount to be received now and in the near future in respect of the 26 per cent. should be about 100,000,000*l.* a year.

The main point, however, to which I desire to draw attention is that acceptance of the ultimatum has produced a feeling of confidence and pronounced optimism, which is hardly consistent with the view that Germany is thereby placed in an intolerable position, and cannot possibly hope to discharge the obligations imposed upon her, and to recover her position in the economic world.

It is therefore strange that the party which represents business interests—the Volkspartei—should have voted against acceptance of the ultimatum, which was obviously the lesser of two evils, and it is not unreasonable to assume that the members of this party acted on the knowledge that in fact a sufficient majority would be found to ensure acceptance without their concurrence, and that they would thus reap the political benefit of opposition while incurring no risk of the economic disaster which would have followed upon a refusal of the Allied demands.

I have, &c.,
D'ABERNON

No. 625

Lord D'Abernon (Berlin) to Earl Curzon (Received May 22, 11.45 a.m.)

No. 236 Telegraphic [C 10461/416/18]

Private

BERLIN, May 21, 1921, 8.50 p.m.

Chancellor has offered Ministry of Foreign Affairs to several persons, about 10, without finding anyone ready to accept. He is thus thrown back on Rosen, who possesses technical qualifications and who is in the Chancellor's opinion strongly inclined to follow a moderate and reasonable policy such as would be agreeable to England. He is anxious to know privately whether English views regarding Rosen are so strong as to render such an appointment

a (? matter) of difficulty.¹ Chancellor points out that Minister for Foreign Affairs will be largely under his own control and that this appointment would not have been considered but for the extreme difficulty of constituting the cabinet owing to the mutual hostility of the Socialists and People's Party.²

¹ See No. 617, n. 3.

² Sir E. Crowe minuted on May 24: 'It is now too late. He has just been definitely appointed Minister for Foreign Affairs.'

No. 626

Memorandum by Earl Curzon on the Allied Sanctions of March 8, 1921

[C 10694/2740/18]*

FOREIGN OFFICE, May 21, 1921

It is very important that a definite understanding should be reached with our Allies, and more particularly with the French Government, as soon as possible, as to whether the sanctions imposed on Germany after the London Conference in March last should or should not be cancelled, now that the German Government have accepted the Allied ultimatum. Otherwise, our difficulties with the French will be much increased. The sanctions were—

- (1) The occupation of Duisburg, Ruhrort and Düsseldorf, on the right bank of the Rhine.
- (2) A 50 per cent. levy on German exports to Allied countries.
- (3) The establishment of special Rhineland customs barriers.

Of these sanctions, however, only the first two [*sic*] are now in question, the 50 per cent. levy having been replaced by the German acceptance of a levy of 26 per cent. on all German exports, as fixed by the London Agreement.

2. As regards the Rhineland sanctions the position is as follows: On the 9th March the Prime Minister made it perfectly clear at the Supreme Council that the two Rhineland sanctions were intended to cease if the Germans should yield. The record of the proceedings shows that this was the general understanding.¹

Further, in replying to questions put to His Majesty's Ambassador at Berlin, just before the German acceptance, His Majesty's Government stated that, in their opinion, the Rhineland sanctions 'ought to be cancelled in the event of Germany accepting the ultimatum.'² We are thus doubly committed.

3. When we communicated this view to our Allies, the Belgians and Italians expressed themselves vaguely in reply.³ The French Government,

¹ See Vol. XV, No. 50, pp. 356-8.

² See No. 612.

³ In Rome telegram No. 165 of May 13, not printed, Sir G. Buchanan had reported: 'Minister for Foreign Affairs told me last night that before receiving my aide-mémoire embodying Your Lordship's telegram No. 99 to Berlin [No. 612], he had already replied to questions one and two in almost identic, though somewhat shorter terms. As regards question three he had expressed personal opinion that provided German Government

on the other hand, have spoken with no uncertain voice.⁴ A note has been received from them stating that they object strongly to our having told the Germans our view, and making clear that the French Government are determined not to allow the Rhineland sanctions to be cancelled until Germany has given 'real proof' of her *bona fides* in executing the terms embodied in the ultimatum. The note argues that the three sanctions, including the 50 per cent. levy (which is regarded as primarily a British interest), form an indivisible whole.

This is, of course, a mere debating point, the 50 per cent. levy having been superseded, so far as joint inter-Allied action is concerned, by the 26 per cent. Clearly, however, it is the policy of the French Government to maintain the two Rhineland sanctions indefinitely; the customs barriers, because they can, it is hoped, be so manipulated as in time to detach the Rhineland economically from Germany; the right-bank towns, because they are at once pledges, jumping-off places, and valves through which the output of the Westphalian industrial area can be controlled. All these ideas are inconsistent with British interests and British policy.

4. Meanwhile, the longer the customs barriers remain, the greater the dislocation of Anglo-German trade, and the greater the danger of industrial unrest in the Rhineland. This has been strongly urged by the British High Commissioner in the Rhineland.⁵ For departmental purposes, also, the position needs to be cleared up. We do not know whether or not we are to proceed with the enrolment, which the War Office have in hand, of the 150 men required to support the customs posts in the British zone.⁶

5. I feel therefore that we shall be justified in adhering to our view, and in endeavouring to secure the support of the Italians and Belgians. In any case, the matter must be brought up at the forthcoming meeting of the Supreme Council, where we must press for a definite settlement of the question, perhaps by fixing a time limit.

6. It is, however, desirable that cancellation should be made conditional on Germany formally undertaking to give some sort of amnesty in respect of all acts done under the sanctions. This is necessary, because the legal validity of many of these acts is doubtful, in view of the carefully defined and limited powers which the Rhineland Commission possess under the Rhineland Agreement. The precise form of the German undertaking will require consideration. This point might be referred to the Rhineland Commission or to the Drafting Committee.⁷

loyally accepted and carried out terms of our ultimatum, threatened sanctions would be cancelled. He had refrained from expressing any views with regard to question four.'

In Brussels telegram No. 100 of May 11, Sir G. Grahame stated that he did not act on instructions in Lord Curzon's telegram No. 78 (No. 613) as Foreign Office telegram No. 80 of May 11 had informed him of the unconditional acceptance by the German Government of the allied demands. In his telegram No. 101 of May 11 Sir G. Grahame added: 'Had I carried out instructions contained in your telegram No. 78 I believe Minister for Foreign Affairs would merely have replied as regards question of cancelling sanctions, imposed on Germany on March 8th, that he would wish to learn the view of French Government.'

⁴ See No. 620.

⁵ See No. 621.

⁶ See No. 512.

⁷ See No. 622.

7. If the Supreme Council is to take up the question of the sanctions it will be necessary to arrange for Belgian representation at the meeting.

8. The British representatives will enter it with greater confidence if they have behind them a decision of the Cabinet. Hence this note.⁸

C. OF K.

⁸ The memorandum here printed was circulated to the Cabinet.

No. 627

Lord D'Abernon (Berlin) to Earl Curzon (Received May 24, 10.30 p.m.)

No. 251 Telegraphic [C 10706/416/18]

BERLIN, May 24, 1921, 6 p.m.

Although he has not yet taken over Ministry for Foreign Affairs, Doctor Rosen paid me a private visit today. We discussed general position, and Rosen informed me that German Government is today issuing a further decree inflicting further penalties on anyone who assists in raising or enlisting free bands.

He also alluded with some alarm to Monsieur Briand's interview with German Ambassador in Paris yesterday. Detailed report separately.¹ His general attitude was one of willingness to conform to any advice regarding Upper Silesia which His Majesty's Government might offer.

He fully understands imperative necessity for German Government to avoid causes of irritation.

¹ In Berlin telegram No. 249 of May 24, Lord D'Abernon reported that in the interview M. Briand said that, whereas the Poles had closed their frontier, the German Government were encouraging free bands to enter the Upper Silesian plebiscite area; see Chap. I.

No. 628

Lord Hardinge (Paris) to Earl Curzon (Received May 26, 6.30 p.m.)

No. 324 Telegraphic [C 10905/2740/18]

PARIS, May 26, 1921, 3.15 p.m.

In reply to question during yesterday's debate Monsieur Briand stated that if Germany committed a violation of her engagements which had not been considered by allies, action could not be taken without a fresh appeal to Supreme Council. If however she failed to carry out any of the obligations imposed on her by allies' recent ultimatum, each allied Government would have the right to apply sanctions stipulated. The French Government would in such a case telegraph at once to its allies to warn them that France was taking necessary military measures and inviting them to do the same. He declined to consider possibility suggested by a deputy, that allies might refuse to carry out terms of ultimatum, and reminded Chamber how readily British and Belgian Governments had joined in occupation of Ruhrort and other

German towns. If some of the allies, owing to their own difficulties, should happen to be prevented from applying sanctions, France would act alone, but not in isolation. He asked Chamber to realise importance of distinction between action 'without' and action 'against' allies.

Full report by bag.¹

¹ This report was contained in Lord Hardinge's despatch, No. 1552 of May 26, not printed, in which was enclosed a copy of the *Journal Officiel* of May 26.

No. 629

Earl Curzon to Lord Hardinge (Paris)

*No. 293 Telegraphic [C 10905/2740/18]**

FOREIGN OFFICE, May 28, 1921, 6.15 p.m.

Your telegram No. 324.¹

Briand's replies to questions about possible action in Ruhr seem to me not altogether free from peril. I cannot recall anything being said or decided in London which would justify France or any one of the Allies in applying any one of the agreed sanctions independently, merely after telegraphic reference to the others, and even without their co-operation. M. Briand's general attitude in debate was so satisfactory that I do not wish to make difficulties for him, and his reply was more probably intended to pacify troublesome Deputies than as a threat of intended action. At the same time I should not like, by silence, to convey implication that I had accepted M. Briand's interpretation, and you should take an opportunity in conversation of intimating that in the event of German default application of any of the sanctions could only be made by common consent, and that isolated action, even after reference, was never contemplated in London. Otherwise it would appear that some comparatively trivial default might be made excuse for military occupation of German territory by French forces alone.

¹ No. 628.

No. 630

Lord D'Abernon (Berlin) to Earl Curzon (Received May 30, 12 noon)

No. 266 Telegraphic [C 11174/2740/18]

BERLIN, May 29, 1921, 9 p.m.

My telegram No. 263¹ announcing completion of payment of £50,000,000 by May 31st.

World is so debauched with big amounts and so confused by whirling exchanges and . . .² and bloated currencies, that figures carry no longer any serious meaning. But this payment incomparably transcends the importance

¹ Of May 27, not printed.

² The text is here uncertain.

with one well-known exception,³ of any similar remittance of gold or treasure in history for it represents forty truck-loads of gold or 32,000 camel-loads of silver. There appears to be no motive or advantage in treating it as an ordinary week-end episode. It would indeed appear unwise to do so.

If the amount received is smothered among general receipts of budget and then paid away without specific attribution, no one will esteem themselves a penny the better for this vast windfall.

As payment is not only unprecedented in amount, but quite unexpected by any serious financier, it has every feature . . .⁴ except illegitimacy.

As such, I suggest that it should be kept apart, and receive a special destination. It might usefully effect or facilitate some great reform. Under the circumstances of the case, financial orthodoxy need not quarrel with this proposal,—the more so that such an attribution,—properly handled,—would improve the rather (? feeble) chances of future payment.

It may be worthy of remark that the total amount now paid by Germany would be about adequate to endow every family of the seed of Abraham throughout the world with a capital of one hundred dollars. But this is not the destination proposed.

Repeated Paris.

³ This is presumably a reference to 1 Kings, x, and 2 Chronicles ix.

⁴ The text is here uncertain.

No. 631

Lord D'Abernon (Berlin) to Earl Curzon (Received May 31, 6.50 p.m.)

No. 276 Telegraphic [C 11311/2740/18]

BERLIN, May 31, 1921, 5.25 p.m.

In my interview with Minister for Foreign Affairs this morning he said he was disappointed with Monsieur Briand's statement¹ regarding removal of sanctions. He had hoped that evacuation of Duisburg and other two towns would have followed immediately after payment of the milliard to allies. He requested me to submit to His Majesty's Government in most urgent manner that nothing would assist German Government so much as evacuation of the three cities. He felt convinced that impartial opinion among allies would regard payment of the milliard as very abundant proof of good faith—a proof which merited some practical recognition.

Repeated to Paris.

¹ In his speech to the French Senate on May 30, M. Briand said that so far, Germany 'ne s'est pas manifestée suffisamment pour que nous estimions que le moment est venu de mettre fin à la coercition'.

*Lord Hardinge (Paris) to Earl Curzon (Received June 2)**No. 1624 [C 11444/2740/18]*

PARIS, June 1, 1921

My Lord,

When drafting my telegram No. 354 of to-day's date,¹ which reported M. Briand's statement in the Senate yesterday, I had not been able to obtain the official text² of that statement which I now have the honour to transmit to you.

Your Lordship will observe that M. Briand's language, in speaking of the consequences of isolated action by France in the Ruhr, was even more vigorous than I reported. He spoke of the 'appalling vicious circle' of increasing expenditure and military effort in which France would be entangled by such a step. He reminded his hearers that other questions besides those of patriotism had to be considered, and warned them that military operations which would aggravate the economic situation of Europe might bring terrible storms in their train. He had taken the responsibility of accepting moderate solutions, convinced as he was that the country demanded, not empty words and promises, but some tangible result, together with the opportunity of pursuing the necessary work of production in peace and quiet. As for the 'gages' of which people were always talking, what better 'gage' was there than the neighbouring territories occupied at present by France?

It was evident that M. Briand carried the Senate with him, for only 8 votes against 269 were cast in favour of M. Héry's motion for referring the London decisions to the Commissions on Foreign Affairs and Finance. M. Briand showed clearly that such a step would amount to a withdrawal by France from the treaty and to her complete isolation, which could not be justified by mere dissatisfaction with the decision of the Reparation Commission. He again emphasised the fact that it was impossible to obtain from Germany the sums that the Allies had the theoretical right to demand, and that they must be contented to leave to the Reparation Commission the task of deciding how much she would in fact be able to pay. This unpalatable truth appears at length to be making itself understood in the French Parliament.

The remainder of the debate in the Senate was taken up by a discussion of the problem of the devastated regions, on which I shall have the honour to report separately.³

I have, &c.,

HARDINGE OF PENSHURST

¹ Not printed.² In *Journal Officiel*, June 1, not printed³ In Paris despatch No. 1632 of June 1, not printed.

No. 633

Mr. Robertson (Coblenz) to Earl Curzon (Received June 3, 9.50 a.m.)
No. 72 Telegraphic [C 11563/2740/18]

COBLENZ, June 2, 1921, 6.20 p.m.

My telegram No. 67.¹

I venture to suggest that this question be pressed.

There is no question but that Germans here feel that they are not being fairly treated. I gather that French Government are content with present German Government but I would point out that if sanctions are maintained in spite of German acceptance of allied demands position of German Government is likely to become more difficult. It would no doubt save the face of German Government if at any rate customs sanction were withdrawn and they had therefore something to show. I hear indirectly that French might agree to withdrawal of eastern barrier while maintaining control of customs on the west. This would be better than nothing and present interference with Rhineland industry would be removed.

¹ Of May 27. It ran: 'I should be glad of information as to whether negotiations are still proceeding in regard to abolition of sanctions. If so, is there prospect of early decision being reached?'

No. 634

Mr. Robertson (Coblenz) to Earl Curzon (Received June 3, 10.15 a.m.)
No. 73 Telegraphic [C 11564/416/18]

COBLENZ, June 2, 1921, 6.35 p.m.

M. Barthou (? Minister for) War who is making a tour in Rhineland was present last night at an official dinner at which High Commissioners and allied Commanders-in-Chief assisted.

In the course of a speech made after dinner M. Barthou referred to general policy of France and her relations to her allies. Speaking in the name of French Government he said that France had no intention and no wish to annex Rhineland and that her policy was merely directed to improving relations between herself and its inhabitants.

France had need of her allies and wished to take no steps independently of her allies.

In the course of a conversation with me after dinner he said that both he and his colleagues were most anxious to see Entente Cordiale transformed into an alliance. An Entente was an indefinite thing not clear to those who took part in it or to those who were opposed to it.

France had now before her continual fear of Entente breaking down and finding herself standing alone in face of Germany. An alliance with England

would give France that sense of security which was necessary to her at the present time and would help her to return to normal conditions.¹

I am sending copy of M. Barthou's speech by despatch. Repeated to Paris No. 7.

¹ Commenting on Lord Hardinge's despatch No. 1709 of June 8, not printed, in which Lord Hardinge had reported the speculation in the French Press following an article in *The Times* of June 3 regarding a possible Anglo-French alliance, Sir E. Crowe minuted (June 14): 'The French are clearly very difficult to please. It is probable that these newspaper articles, tending to depreciate the value of an alliance with England, are meant to do what the tacticians call "manoeuvring for position". I believe they want the alliance against Germany. But when it comes to dropping anti-British policy in the rest of the world, France, true to her traditional practice, wants to sell her support in each field in return for separate rewards. In other words, she would claim our support against Germany as something to be given by us in any case, and for nothing. But French support for British policy in the East or elsewhere is a thing for which England must pay by special and valuable concessions. Much as I am in favour of a comprehensive understanding with France, to which Great Britain would contribute in the shape of an alliance against German unprovoked aggression, I should hesitate to recommend it on such terms.' Lord Curzon added (June 15): 'or at this time'.

On February 12, 1921, Sir E. Crowe, after discussions with Sir W. Tyrrell, Mr. Vansittart, and Lord Hardinge, had drawn up a memorandum (C 3340/3340/62) for Lord Curzon on the question of Anglo-French relations. 'If we came forward', he wrote, 'with an offer to give definite security to France against a fresh German attack under the conditions and to the extent stipulated in the original treaty [the unratified treaty of June 28, 1919], it might be expected with some confidence that the French would be disposed to prove far more conciliatory, not only in matters where she can make concessions to British interests in the East, and perhaps elsewhere, but also in regard to her attitude towards Germany herself.'

No. 635

Lord Hardinge (Paris) to Earl Curzon (Received June 4), 9.15 a.m.

*No. 364 Telegraphic [C 11597/2740/18]**

PARIS, June 3, 1921, 8.15 p.m.

Mr. Robertson's telegram No. 72.¹

Your Lordship will have seen from my telegram No. 356 of the 1st June² that, while M. Briand realises it would now be logical to cancel March sanctions, he fears opposition in Parliament and country. He has, it is true, succeeded in overcoming attacks in connection with his latest sacrifices to the cause of preserving Allied unity, but general opinion in France is that he has already reached or even gone beyond extreme limit of her sacrifices, so that he will hesitate very seriously before taking any action which would certainly raise another storm. He is entirely dependent on leaders of national *bloc*, of whose consent he has to assure himself at every step. There has been more agitation here against evacuation of Ruhr ports than against suppression of Rhineland customs, because it is felt that presence of troops at the gates of Ruhr ready to march at any moment was the only threat which really put fear into Germany and made her accept ultimatum. M. Briand in his speech

¹ No. 633.

² Not printed.

in the Senate on Monday (see my telegram No. 348)³ took line that despite goodwill hitherto shown by new German Government over payment of 1 milliard marks, &c., sufficient time had not yet elapsed to test the ability of the Chancellor to carry out his programme, particularly as regards disarmament. Press suggests that France can only contemplate removal of sanctions on receipt of other equally reliable guarantees for future good behaviour of Germany.

(Repeated to Coblenz.)

³ Not printed. See No. 631, n. 1.

No. 636

Lord Hardinge (Paris) to Earl Curzon (Received June 8)

No. 1671 [W 6618/6298/17]

PARIS, June 3, 1921

My Lord,

I have the honour to transmit herewith for your Lordship's perusal a summary of the principal portions of an article by M. Raymond Poincaré which has just appeared in the current number of the '*Revue des Deux Mondes*'.¹ The main contention is that from the date of the signature of the Treaty of Versailles to the present day France has had, as the result of successive conferences, to submit against her better judgment to a series of decisions on the part of the Allied Powers which have had the cumulative effect of depriving her of a great part of the advantages which she had the right to expect from victory over Germany.

The responsibility for the check to French policy thus indicated is put down to a conflict of interests with Great Britain. The conclusion drawn by the writer, to which I specially desire to draw your attention, is that the moment has come for a fresh understanding with us which will eliminate existing differences of opinion on the main questions of the day. The sense of the necessity of the *Entente* has been lately expressed by several French writers of repute and contributed largely to the majority obtained by M. Briand in the Chamber of Deputies. M. Poincaré's article is presumably influenced to some extent by events in the East, but a declaration of solidarity with us as the cardinal feature of French policy, coming in sequence to M. Briand's firm stand in Parliament, may be regarded as a political manifesto of some importance.

During the past week the question of an alliance has also become more prominent in the press, encouraged, as is stated, by a definite expression of opinion by members of the British Cabinet that the moment had arrived to open a discussion.

It is as well that the mentality of the ordinary French politician and the influences by which it is dominated should be thoroughly understood in

¹ Of June 1, 1921, not printed.

treating such a question as the development of the *Entente* into some other form of more binding character before any decision is taken or discussion even initiated. I have no hesitation in stating my conviction that the main impulse in the French nation, whether in its policy towards reparations, disarmament, Upper Silesia or the occupation of the Ruhr is inspired by fear, fear of Germany, genuine alarm as to the moral certainty of Germany's early recovery from her losses and defeat, and grave anxiety as to the possibility of the isolation of France in the not distant future. It is fully realised that in a few years' time France, with a population of about 40 millions, will not be in a position to stand up alone against a thoroughly organised Germany with a population of nearly 80 millions. It is recognised that the recovery of Germany through the development of her trade and the industry of her population is likely to be more rapid than that of any other country in Europe. At the same time there is an uncomfortable feeling that Germany will in a few years' time revert to a monarchy founded on a military and reactionary basis, of which the main inspiration will be revenge and the restoration of Germany's pre-war situation in Europe. Thinking Frenchmen ask themselves how the safety of France from the possibility of this impending menace is to be secured, and to these the first and easiest suggestion is the crippling of Germany so that she may not be able to lift her head again at least for a generation and a half. Any reduction of Germany's debt for reparation is therefore bitterly resented as an act of treachery to France and as an alleviation of the position of servitude in which they wish Germany to be permanently placed, although many realise that it is impossible to hope that the German people will, as the years go by, continue to allow themselves to be heavily taxed to pay off debts to the Allies contracted before many of them were even born. It is the same spirit which impels the French people to demand the occupation of the Ruhr and the handing over of the industrial area of Upper Silesia to Poland. The Valley of the Saar, with its coal deposits, has already been snatched from Germany. The occupation of the Ruhr, with its minerals and its factories, from which the chief output of munitions were obtained during the war, is regarded as another means of drawing the teeth of Germany, and although it is invariably stated in the Press and in public utterances by members of the Government that the occupation would only be of a temporary nature, it is undoubtedly hoped that something might happen or some pretext be found to give the occupation a permanent character. The determination of the French to obtain the handing over of the whole of the industrial area of Upper Silesia to Poland is one more symptom of their desire and intention to cripple Germany hopelessly, for they feel that when she has been deprived of the valley of the Saar, the Ruhr, and the mineral deposits of Upper Silesia, she will be no longer in a material position to provoke and carry on a prolonged war against France. These considerations explain to a large extent the restlessness of France, and her sensitiveness to any criticism, and there is evidence in the press and in speeches to show that public opinion is beginning to realise that Germany will not be so hopelessly crippled as has been anticipated, and the need of France for an ally

upon whom to lean for protection and support is steadily becoming more and more an object of French policy.² It was at one time hoped and thought that America, with her ancient sympathies for France, might prove a pillar of support, but that hope has been dissipated by the categorical refusal of the new Administration to sign the Treaty of Versailles, and the eyes of French public opinion are turning once more across the Channel.

When Lord Derby, on his return to London a few months ago, made a public speech³ advocating an Anglo-French Alliance not much notice was taken, nor did the idea inspire any enthusiasm in this country, but in the last few weeks the idea has been revived as a possible development of Anglo-French relations, although the moment would hardly seem to have been well chosen in view of the bitter attacks made in the press on the Prime Minister and British policy everywhere. It is not necessary for me to discuss here the merits and dangers of an Anglo-French Alliance. The danger of being involved in hazardous enterprises through the ill-considered action of French politicians is so obvious that it does not need to be developed. But I cannot help feeling that there is a good deal of force in the views of many Frenchmen that it is in the interest of Great Britain that Germany should be hindered in any aggressive designs against France, and that this might well be secured by the ratification by Great Britain of the defensive agreement concluded in Paris in 1919 to meet any aggression by Germany on the Rhine.⁴ It will be remembered that the policy of the permanent occupation of the Rhine by France was definitely given up at the Peace Conference in return for this agreement. Undoubtedly such an act on the part of His Majesty's Government would tend to quell the restless spirit which exists at present in France, and would probably produce more friendly relations between the two countries, but should His Majesty's Government at any time consider such a course desirable, it would have to be clearly understood by the French Government that it could only form part of a comprehensive scheme of settlement of pending questions all over the world, in which the fact of His Majesty's Government having undertaken this obligation would be placed to their credit as a considerable asset for France, and that the existing local intrigues of French officials in foreign lands against British policy should immediately cease and give place to one of helpful co-operation. It would be desirable to communicate officially to Germany any agreement arrived at, and to give it the utmost publicity. At the same time it should be made clear to the French Government and people that the war having been satisfactorily concluded, Great Britain has every desire and intention to cultivate friendly and com-

² See No. 634.

³ See, for example, his speech to the Manchester Chamber of Commerce on December 2, 1920, reported in *The Times*, on December 3, p. 7, and also that to the Liverpool Chamber of Commerce on December 7, reported in *The Times*, December 8, p. 13.

⁴ i.e. the Treaty of Assistance to France in the event of unprovoked aggression by Germany, signed at Versailles by Great Britain and France on June 28, 1919; for the text, see *B.F.S.P.*, vol. 112, pp. 213-15. Sir E. Crowe annotated this passage as follows: 'We did ratify it! But the treaty remains inoperative according to its very terms, unless the U.S. also ratify.'

mercial relations with Germany and to abstain from any overt action against her so long as she observes and carries out the stipulations of the Treaty of Versailles.

I have, &c.,
HARDINGE OF PENSHURST

No. 637

Lord D'Abernon (Berlin) to Earl Curzon (Received June 4, 6.30 p.m.)
No. 285 Telegraphic [C 11647/416/18]

BERLIN, June 4, 1921, 1.25 a.m.

Wirth Government is said to be in considerable danger from party differences, see my telegram 261.¹

Minister for Foreign Affairs says that any declaration from Allies or from His Majesty's Government indicating that acceptance of ultimatum and subsequent execution of its terms had produced favourable impression would have marked influence on political situation. Subjects which really affect public opinion for the moment are territorial positions east and west i.e. Duisburg, Dusseldorf, and the Ruhr on the one side and Upper Silesia solution on the other. Minister for Foreign Affairs urges that anything His Majesty's Government may be able to do or say in order to show good-will should be done quickly.

I have communicated to His Excellency statement contained in Your Lordship's telegram No. 99² regarding cancellation of sanctions subject to reserves made in same telegram.

¹ Of May 28, not printed.

² No. 612.

No. 638

Lord D'Abernon (Berlin) to Earl Curzon (Received June 14)
No. 810 [C 12323/2740/18]

BERLIN, June 8, 1921

My Lord,

I have the honour to enclose, for Your Lordship's information, copy of a confidential memorandum by Mr. Finlayson, upon the measures being taken by the German Government to meet the different payments to which they are committed. I had instructed Mr. Finlayson to ascertain, in particular—

1. What measures the German Government or the 'D' banks were taking to procure the necessary foreign exchange to meet the Treasury bills for 800 million gold marks; and
2. What provisions the Government were making to meet the payment in foreign currency of the amount of the first instalment of the 26 per cent. export duty.

It would be premature at the present stage to give any general opinion regarding the success that will attend the effort of the German Government to keep their payments up to date, but it appears certain that the Committee of Guarantees,¹ whenever it visits Berlin, will be met in a business-like spirit and that there will be no hostility, in principle, to its operations. I regard it as a most fortunate circumstance that, under the London Ultimatum, Berlin was not mentioned as the compulsory home of the Committee of Guarantees. Had this been done, as was originally intended in the French draft, the whole organisation would have been met with intense hostility here on the grounds that Germany was being treated like Turkey or Egypt. Now that the Committee of Guarantees has its home and point of origin in Paris, the German attitude is rather to woo it here as much as possible in order that the members may understand German conditions and German difficulties, at the same time escaping the snares and wiles of the Prussian atmosphere.

It would be unwise to underrate the difficulty of the task before the Commission, but it enters upon its functions under better auspices and with a better welcome than could have been expected.

I have, &c.,
D'ABERNON

ENCLOSURE IN No. 638

Memorandum by Mr. Finlayson

I called upon Dr. Kastl, of the Finance Ministry, this morning, in order to find out the answers to the two points which you raised in the meeting yesterday, viz.:—

1. What measures the German Government or the 'D' banks were taking to procure the necessary foreign exchange to meet the Treasury bills for 800 million gold marks; and
2. What provisions the Government were making to meet the payment in foreign currency of the amount of the first instalment of the 26 per cent. export duty.

With reference to the first point, Dr. Kastl informed me that it was not the business of the 'D' banks to find the necessary currency, and that this task was entrusted to the 'Devisenbeschaffungsstelle'.² With regard to the provision of the amount of currency necessary, Dr. Kastl assured me that the present business was satisfactory, and that he had not heard of any prospect of a request for prolongation.

With regard to the second point, viz., the provision of the currency to meet the instalment of the 26 per cent. export duty, Dr. Kastl thought that the value of the deliveries in kind already made and to be made up to the due date would be sufficient to cover the cash demand. He instanced the fact

¹ The Committee of Guarantees, set up under Article 6 of the Schedule of Payments notified to Germany by the Reparation Commission on May 5, 1921 (see Vol. XV, No. 83, Appendix 2, and No. 86, n. 6), was formally constituted on May 27. The Committee visited Berlin from June 15-29.

² i.e. the Office for procuring Foreign Exchange.

that Germany was obliged to deliver to the *Entente* 25 million tons of coal, and he was disposed to think that if the Government delivered 20 million tons that the value of these consignments would be sufficient to meet the payment on the 15th November.

Dr. Kastl has elaborated a plan of payment for a normal year under the terms of the Ultimatum. This plan, he tells me, has been discussed in Paris by the Committee of Guarantees with M. Bergmann. The plan is briefly this:—

Taking the exports of 1920 as the basis, the total reparation payment in a normal year would amount to 3·3 milliards. This sum would be met in three ways—

1. By deliveries in kind;
2. By the operation of the German Reparation Recovery Acts in force in Allied countries;
3. By the earmarking of certain German revenues.

1. Dr. Kastl estimates that the value of the deliveries in kind in a normal year should amount to something in the neighbourhood of 1·3 milliard marks. It would appear that the French have given considerable trouble over certain items in the deliveries and particularly that relating to the wooden houses. It will be remembered that M. Loucheur asked for 25,000 wooden houses for the restoration of the devastated areas. The German Government have already sent models to the French Government of 3, 4, 5, 6 and 7-roomed houses, but these models were rejected because they were planned on too grandiose a scale. But this is not the real kernel of the difficulty. It would appear that M. Loucheur would like the houses, but he does not feel disposed to pay for them. In the German plan of payment, they estimated the value of the houses at 220 million gold marks. The French, on the other hand, are not willing to pay more than 12, and they have proposed to the German Government that the first item on this account in 1921 should be very small, and that the balance due upon the houses to be delivered should be carried to the accounts of 1922 and 1923. The German Government feel that this move on the part of the French is entirely due to the percentage arrangement which we carried out at Spa by the 'Monster', and that if the French Government were to be debited in the first year for the full value of the 25,000 houses, they would find themselves under the disagreeable necessity of having to pay money into the pool in so far as concerned 48 per cent. of the value of these deliveries. The difficulty, however, with which the German Government is faced is this, that they have to pay the German manufacturers on the spot when these houses are delivered to them, but that they would only be credited for their value either one or two years later, and that the effect of this would be that they would have to pay more in actual cash during the first year in order to make up the balance due on the reparation payment. Dr. Kastl informs me, however, that the German Government is doing everything in its power not to ruffle Loucheur too much, as they feel that he might suspend the whole operation of deliveries of wooden houses, and the German Government are very keen that this form of delivery should be carried out.

2. With regard to the second point, viz., the operation of the German Reparation Recovery Acts, Dr. Kastl pointed out that so far England was the only country which had put these Acts into force. In a normal year, however, he estimated that the Allied countries would recover from Germany in this way a sum equal to about 250 million gold marks.

3. With regard to the third point in the plan of payment, viz., the earmarking of certain revenues, the Finance Ministry intend to earmark 25 milliards of paper marks every year from the following taxes: 'Kapitalertragsteuer,' 'Umsatzsteuer,'³ Coal Tax, Wine Tax and Brandy Monopoly; he read out the figures under each heading so fast that I was unable to make a mental note of the returns estimated from each source, but I noticed that far the biggest share would come from the 'Umsatzsteuer'. I was unfortunately not able to prevail upon him to give me a copy of the memorandum, but I think that what I already have dictated gives you a gist of the matter.

Dr. Kastl asked me whether I knew if it were the desire of the Committee of Guarantees that there should be set up in Berlin some central office which that Committee could use as a channel to the various Ministries. It was, in his opinion, necessary that some sort of Post Office should be instituted. He informed me, however, that the Ministry of Finance stymied the effort of the German Foreign Office to set up a Commissioner for Reparation. Commissioners were the 'enfants terribles' of all German Ministries. If they were strong and resourceful, they dominated the Ministries, and if they were weak they were only an encumbrance.

Dr. Kastl is personally very dissatisfied with the index number of the Ultimatum, i.e., the value of German Exports. If these exports increase, their total burden increases correspondingly, and he hopes that this question will be taken up by the Committee of Guarantees. He thinks that there will be quite a development of Germany's export trade, as this is the only way in which she can procure the necessary 'Devisen'. As regards the functioning of the Export Office, it would appear that orders have been given by the Ministry that nothing should be changed in the present system. This has been carried out with a view to stopping any possible advance in the marking of invoice prices by exporters in anticipation of a 26 per cent. export tax upon each export.

Dr. Kastl has promised me for to-morrow three important memoranda:—

- (1) On the working and organisation of the Customs Administration;
- (2) On the working and organisation of the Administration of Direct Taxes;
- (3) The working and organisation of the present Export Duties.

I was particularly desirous, however, to have this information, as I hear that the Committee of Guarantees will visit Berlin shortly, and I am desirous of being in a position to tell them how the present financial administration works.

I ought, perhaps, to add that it was the feeling of the Finance Ministry

³ i.e. Turnover tax.

that our Bureau should be the Sub-Committee of the Committee of Guarantees in Berlin. It would appear that they have great confidence in our personnel, and I must confess that our relations are of the most cordial character.

H. F. FINLAYSON

No. 639

Earl Curzon to Lord D'Abernon (Berlin)

No. 154 Telegraphic [C 11849/416/18]

FOREIGN OFFICE, *June 9, 1921, 5 p.m.*

Your telegram No. 291 (of June 6th).¹

There is a possibility that the Belgian Government will take the initiative in asking for a discussion of the question of the abrogation of the Rhineland sanctions. I am therefore reluctant to raise the question without giving them time to do so. It is desirable for us to avoid if possible the charge of invariably initiating discussions on questions unpalatable to the French Government.

Repeated to Paris No. 310 and Brussels No. 93.

¹ In this telegram, not printed, Lord D'Abernon had reported a conversation on June 5 with Dr. Wirth, who expressed the hope that the British Government would do their best to remove the Rhineland sanctions. Lord D'Abernon concluded: 'Chancellor continues to make on me the impression of a very sincere man of great courage faced by an almost impossible task, in which he both requires and deserves assistance.'

No. 640

Sir G. Grahame (Brussels) to Earl Curzon (Received June 13)

No. 537 [C 12212/2740/18]

BRUSSELS, *June 10, 1921*

My Lord,

I have the honour, with reference to my telegram No. 123¹ of to-day's date, to inform your Lordship that M. Jaspar told me this morning that he had gone to Paris three days ago to endeavour to prevent a decree from being issued which would have raised the customs duties on certain Belgian goods entering France. M. Briand had obligingly promised to refer the question to a joint commission before proceeding further in the matter. I would probably not be surprised, M. Jaspar continued, to hear that other matters had also been discussed by him in Paris. He did not like secret diplomacy, and had no wish to be mysterious with me. He had taken advantage of his interviews with M. Briand and M. Berthelot to urge them to agree to a meeting of the Supreme Council without delay, so as to cut short the period of press controversy and uncertainty. He had further urged them to consent to the removal of the Rhine customs barrier set up after the London Conference in March last. He had told them that Belgian business men objected to it, and

¹ Not printed.

that, moreover, it was advisable to accord some concession to Germany which would strengthen Herr Wirth's Cabinet and encourage it to persevere in its conciliatory policy. He had advised M. Briand not to shirk a discussion of this question at the next Supreme Council.

M. Briand appeared ready, so M. Jaspar stated, to attend a meeting of the Supreme Council during the ensuing week, and did not seem *a priori* indisposed to make the above-mentioned concession, but M. Jaspar realised that he was at the same time thinking of the effect which such action might have on the French Parliament.

I took advantage of this opening to say to M. Jaspar that as the Belgian Government—and I thought that I might also say Belgian public opinion—were in favour of the abrogation of this sanction, I hoped that he would have the courage of his convictions and take the initiative in proposing it. Such action on the part of the Belgian Government would, I felt sure, be much appreciated by His Majesty's Government, who hitherto had always been left to propose themselves the adoption of measures likely to be unpalatable to the French Government. The Belgian Government were, as he had often told me, particularly anxious to avoid unnecessary friction between London and Paris. It was therefore much to be desired that for once some other Government than His Majesty's Government should take the initiative. The Belgian Government had been treated on a footing of perfect equality throughout the negotiations between the Allies and Germany respecting the reparation question. The Belgian representatives had earned great and well-deserved praise for the share which they had taken in the proceedings at various Supreme Councils, and they had acquired a reserve of prestige and influence. M. Jaspar here interrupted me to say that he must not fritter away this reserve. I rejoined that he could draw on it without fear of its being easily exhausted; his own public opinion would be behind him, and it was not only in Great Britain that an initiative on the part of Belgium, such as I had indicated, would be well received. In America and other countries it would be noted as a proof of the impartial and independent spirit which animated the Belgian Government.

The upshot of our conversation was that M. Jaspar said that, although he did not definitely promise that he would himself raise the question, it was well within the bounds of possibility that he might do so. He would like, however, to induce M. Briand to take this step, but, in any case, he would try to avoid the necessity of His Majesty's Government having to incur the odium of once more pressing an unpalatable course upon the French Government. I told him that I was not speaking under instructions.²

I doubt, from what M. Jaspar has said to me on one or two recent occasions, whether he would in any circumstances suggest the immediate evacuation of Düsseldorf, Duisburg and Ruhrort. He thinks that M. Briand would not consent to such a measure, but he believes that it would be feasible to induce the French Government to consider favourably the question of a progressive

² In his despatch No. 455 of June 16, Lord Curzon approved Sir G. Grahame's language held to M. Jaspar.

evacuation of these towns after June 30, if the disarmament of Germany is proceeding to the satisfaction of the Allies.

M. Jaspar evidently thinks that it is more than probable that other questions besides that of Upper Silesia will be put upon the agenda of the next Supreme Council, and he hopes that the awkward question of the attendance of Belgian representatives at the meeting will thus be solved.³

The French correspondents of various Belgian newspapers have been reporting for some time past that Great Britain is seeking to put her veto on the attendance of Belgium at a Supreme Council at which the Upper Silesian question will be discussed.

I have, &c.,
GEORGE GRAHAME

³ See No. 174.

No. 641

Lord Kilmarnock (Berlin) to Earl Curzon (Received June 16, 2.15 p.m.)
No. 308 Telegraphic [C 12480/2740/18]

Urgent

BERLIN, June 16, 1921, 4.25 a.m.

In the course of conversation with Minister for Foreign Affairs this evening¹ His Excellency repeated several times that Cabinet must fall unless they could show some success within a very short time. He referred again to question of sanctions and said he had had no reply yet from Brussels. If he could even say that Belgian Government were in favour of their abrogation it would be some help. I said that I believed that Lord d'Abernon had informed him that His Majesty's Government were in favour of such a course and had recommended it to their allies.² He said that he had not understood this sufficiently definitely to be able to use it publicly, and asked whether I could give him official statement in writing. I replied that without looking up instructions I could not do so, but promised to examine question. There was however in any case time for me to telegraph to Your Lordship and receive a reply before Saturday.³ He thanked me cordially and said that a favourable reply would be a great help to him, though he could not say that this alone would suffice to save the position of the Cabinet.

I should be grateful if you would send me immediate instructions as to whether I may make the statement desired by Minister for Foreign Affairs. I would beg that such instructions may reach me by Friday morning as Cabinet meets that day to decide its attitude.⁴

¹ This telegram was drafted on June 15.

² See Nos. 612 and 637.

³ i.e. June 18.

⁴ The following minutes of June 16 by Mr. Tufton and Sir E. Crowe respectively were initialled by Lord Curzon: 'I should leave it to the Belgians to raise, & not say anything more to the Germans for the present. C. TUFTON.'

'I also think that on the eve of Lord Curzon's meeting with M. Briand, discretion is the supreme virtue. E. A. C.'

No. 642

Lord Kilmarnock (Berlin) to Earl Curzon (Received June 17)

No. 316 Telegraphic [C 12547/416/18]

BERLIN, *June 17, 1921, 1.20 p.m.*

Interpellation on Upper Silesia has been postponed till Monday,¹ and this may result in interpellation on sanctions which had been fixed for Monday being postponed till Tuesday or Wednesday. This gives a little more time for situation to improve, and I earnestly hope that Your Lordship may find it possible to authorize some encouraging declaration before debate in question takes place. So far Wirth Cabinet has given many evidences of good faith in the face of very grave difficulties and its fall would greatly increase (? seriousness of) (? situation). No alternative Government would be likely to prove so amenable, and any change would materially increase possibility of some pretext being found by the French for occupation of Ruhr.

I hear from reliable sources that Majority Socialists are nervous about position of Cabinet, and there are strong influences in right wing of Centre which are working against Wirth.

¹ i.e. June 20.

No. 643

Sir E. Crowe to Lord Hardinge (Paris)

No. 332 Telegraphic [C 12547/416/18]

FOREIGN OFFICE, *June 18, 1921, 5 p.m.*

Lord Kilmarnock's telegrams Nos. 308 and 316.¹

Following for Lord Curzon²:—

I do not see how any effective assurances could be given to German Government except on joint authority of British and French Governments. Without attaching exaggerated importance to the argument that a declaration on our part is required to keep in power a German ministry which is probably more satisfactory than any alternative Government likely to replace it, I gather from French Ambassador here that his Government is on the whole favourably impressed by men now in power in Berlin. In these circumstances M. Briand may perhaps be disposed to join in a message foreshadowing withdrawal of sanctions under conditions which could be readily realized, thereby easing the German parliamentary situation.

¹ Nos. 641 and 642.

² Lord Curzon was in Paris for the meetings of French, British, and Italian representatives on June 18 and 19. For the minutes of these meetings see Vol. XV, Nos. 88–90.

Earl Curzon to Lord Kilmarnock (Berlin)

No. 649 [C 13032/2740/18]*

FOREIGN OFFICE, *June 23, 1921*

My Lord,

The German Ambassador asked to see me this afternoon, in order to plead for the withdrawal of the sanctions which had been imposed upon his Government by the Allied Conference in London in the month of March. These sanctions were, in the main, two in number, namely: the occupation of the three towns of Dusseldorf, Ruhrort and Duisburg, and the customs barrier which had been set up by the Allies in Trans-Rhenish territory. He obviously felt the latter to be a much greater incubus than the former, and he expatiated to me at great length upon the cruel blow that was thereby dealt to the industry and prosperity, not only of the district, but of all Western Germany; the difficulties and hardships that arose in the administration of the barrier line; the held-up trains; the wasted stocks; the diminished output; and so on, for which he said that if there had been any justification at the time the sanctions were imposed, no defence could surely now be forthcoming, seeing that Germany had accepted the ultimatum of May, and was faithfully discharging her part. He complained that, in spite of this, the customs restrictions, so far from being relaxed, had been strengthened. More particularly he dwelt upon the alleged control of liquor, which by a decision taken as lately as the 10th June,¹ it had been decided by the Allied representatives to assume, and which, in his opinion, neither rested upon, nor could be defended by, any provision in the treaty. His Excellency wished to know why these harsh disabilities should not forthwith be withdrawn, and he asked what was the use of Germany's playing her part if she was still to be treated as guilty?

I replied by reminding him that, just as it was by the Allied Powers in conference that these sanctions had been imposed, so by the same authority alone could they be withdrawn. As his Government well knew, because we had informed them, the British Government were well disposed towards the cancellation of these sanctions,² provided always that Germany, in respect of reparation and disarmament, was faithfully carrying out the terms of the ultimatum. We had, for this reason as well as for others, looked forward to a much earlier meeting of the contemplated Supreme Council in France. Unfortunately, for reasons with which he was familiar, the French Government had not acceded to our view, and even now their attitude on the subject of these sanctions, as I had ascertained in my recent interviews with M. Briand, was quite uncompromising. They held to the view that, until it was satisfactorily established that all danger from the irregular German forces

¹ By Ordinance No. 89 of June 9 of the Inter-Allied Rhineland High Commission (see the *Official Gazette of the Inter-Allied Rhineland High Commission*, Nos. V and VI, May-June 1921, p. 151) the control of the production, price, and disposal of alcohol in Occupied Territories was placed with the Alcohol Committee of the High Commission.

² See No. 612.

was removed, and that the stipulations of the ultimatum were being loyally carried out, it would be impossible for France to surrender the guarantees that lay in her hands. We did not share this view, and were quite prepared to bring the matter to the arbitrament of discussion. While in Paris, I had pressed for an early meeting of the Supreme Council, and I had informed the French Prime Minister that this question would be raised at it. In all probability, the Council would meet some time in July. Even supposing the alternative course were taken of making official proposals for a withdrawal, and then embarking upon a diplomatic correspondence with the various Powers concerned, it was not in the least likely that any favourable decision would be arrived at in the few remaining weeks before the Council could meet.³

My advice to his Excellency therefore was to occupy the interval by prompt and diligent fulfilment of the conditions of the ultimatum, more especially in respect of disarmament—the Einwohnerwehr and similar forces—the date fixed for which was, I believed, the 30th June; and to secure if possible, before the Council met, that an attitude favourable to the case he had put forward should be taken by the remaining Allies. There was some ground for thinking that both Italy and Belgium⁴ were sympathetic in the matter; and it was much better for Germany to prepare a really strong case, and to muster her supporters, than it would be to let the weapon go off at half-cock.

The Ambassador thanked me for my advice, which indeed gave him, I think, all the encouragement that he could have expected.

I am, &c.,

CURZON OF KEDLESTON

³ The Allied Conference took place in Paris from August 8–13; see Vol. XV, Nos. 91–104.

⁴ See No. 626, n. 3, and No. 640.

No. 645

Lord Kilmarnock (Berlin) to Earl Curzon (Received June 24, 6.30 p.m.)

No. 330 Telegraphic [C 13034/2740/18]

BERLIN, June 24, 1921, 1.35 p.m.

Following for Blackett from Leith Ross.¹

Following is position of negotiations between Committee of Guarantees and German Government. Bemelman[s]² and I prepared a draft reply to the German offer of alternative taxes to replace customs and export duties and 25% levy. This reply states that the Committee is not able to renounce provisions of schedule³ unless assured that German Government can by other means secure foreign exchange values necessary, and urges further examination of the measures to carry through 25% levy. As however actual collection

¹ A member of the Treasury and a British representative on the Committee of Guarantees.

² A Belgian political and financial expert.

³ For the schedule of payments see No. 638 and Vol. XV, Nos. 83, Appendix 2, and 86, n. 6.

of guaranteed revenues need not commence till November Committee does not definitely reject possibility of accepting alternative taxes offered, and postpones decisions. Meanwhile most urgent for German Government to undertake complete revision of Budget. Original deficit of 33 milliards has now grown to 49 milliards, apart from about 38 milliards required for guarantees, making total deficit of 87 milliards, or nearly twice estimated total revenue for 1921. We proposed therefore to notify German Government that final decision of Committee will depend on the German Government's undertaking, during next two months, drastic budget programme so as to ensure greater financial stability and execution of schedule obligations. We are led to believe that German Government which fully recognises need of new taxation will welcome pressure from Committee as it will help it to carry out its proposals. But position of Government is undoubtedly weak, and proposals of Committee may possibly give such a shock to public opinion as to involve the fall of the Government. We proposed therefore that at the same time Committee should announce its intention of recommending to Allied Governments abolition of Rhineland Customs Control, which is alleged by German Government to have been used so as to encourage unnecessary imports. Draft report came before full Committee this afternoon and Maucière⁴ raised formal objections on the ground that it went too far afield. Finally he undertook to prepare and circulate counter-proposals in the form of five separate letters. It is difficult to know what is his object, but Logan⁵ and I conclude he wishes to avoid Rhineland Customs recommendations. Unless I get instructions to the contrary, I propose to adhere to lines of draft report, and to make acceptance of any demands on Germany not covered strictly by letter of the schedule payments. Committee will probably have to stay here another week.

Repeated to Paris for Sir J. Bradbury.

⁴ A French representative on the Reparation Commission and Chairman of the Committee of Guarantees.

⁵ An unofficial American representative on the Committee of Guarantees.

No. 646

Lord Kilmarnock (Berlin) to Earl Curzon (Received June 25, 9.55 a.m.)

No. 331 Telegraphic [C 13058/2740/18]

BERLIN, June 24, 1921, 1.40 p.m.

My immediately preceding telegram.¹

Mr. Leith-Ross consulted me as to whether proposed reply of Committee of Guarantees would be likely to affect adversely position of German Government. I therefore took an opportunity of consulting Dr. Rathenau² privately on the subject. Latter consulted Chancellor informally and tells me that Chancellor was very favourably impressed with proposed reply provided it

¹ No. 645.

² See No. 448, n. 3.

was couched in smooth and friendly form and that recommendation as to abrogation of Rhineland customs was accepted.

French representative on Committee seems rather disinclined to accept inclusion of this recommendation but if Leith-Ross is able to obtain its acceptance it seems to me that it would be highly advantageous as it would give German Government an opportunity of showing publicly that abrogation of Rhineland customs had been openly advocated by a body on which most of allied Powers were represented.

I therefore strongly recommend that Leith-Ross be instructed to press for inclusion of recommendation in question.³

³ In his telegram No. 164 of June 28, Lord Curzon replied: 'We see no objection to inclusion in Committee's recommendations of a reference to early abolition of customs sanction, and Mr. Leith Ross should press for it. Treasury concur.'

No. 647

Earl Curzon to Lord Kilmarnock (Berlin)

No. 165 Telegraphic [C 13378/2740/18]

FOREIGN OFFICE, *June 28, 1921, 10 p.m.*

Your telegram No. 330 (of June 24th).¹ Please communicate following to Leith Ross from Blackett with reference to Bradbury's telegram No. 396 (of June 20th).²

(1) It is not possible at present to give you a definite reply as to substitutes for the 25% levy. I think however British Government will require to be fully convinced of the superior advantages of any alternative before it will agree to dropping the levy.

(2) Treasury entirely concur in desirability of pressing upon German Government an early and drastic revision of its Budget.

(3) Treasury do not regard Rhineland Customs Control as an important financial guarantee. Indeed they are inclined to the view that its abolition will improve the financial position of Germany and thereby its power to pay reparation. I understand you are being instructed by Foreign Office to continue to press for its abolition.³

. Repeated to Sir J. Bradbury.

¹ No. 645.

² Not printed.

³ See No. 646, n. 3.

No. 648

Lord D'Abernon (Berlin) to Earl Curzon (Received June 30, 10.55 a.m.)

No. 336 Telegraphic [C 13410/2740/18]

BERLIN, *June 29, 1921, 5.25 p.m.*

Members of Committee of Guarantees are leaving Berlin to-day for Coblenz and Paris. During their fortnight here they have had several

conferences with representatives of German Government and have arrived at provisional agreement on arrangements which represent an attempt to carry out the schedule of the ultimatum¹ without substantial modification. Payments due by Germany up to April 1922 appear to be fairly well provided for. No great progress has however been achieved towards ensuring practically full payments after (? present) year which must depend largely on stabilisation of the mark. This in its turn depends largely on . . .² Budget which can only be attained, as I have pointed out in previous telegrams, by doubling present scale of taxation in force in Germany. It is stated that Government is not agreed within itself as to what precise taxation proposals should be put forward; still less has agreement been attained between different party leaders; German Peoples Party and the Right generally advocating indirect taxation, Left resisting this scheme and insisting upon a further increase of taxes on capital.

I understand that certain German financial authorities are engaged upon scheme for issue of a German loan free from German taxation. They believe subscribers for this could be found in neutral and ex-enemy countries and notably amongst Germans who have exported capital secretly and who would be guaranteed against prosecution provided they subscribe to proposed loan. Expectation is that this loan might produce something like 8,000,000³ gold marks. Once in possession of this sum German Government would offer a large immediate payment to the Allies this payment to replace in part early annuities due under the ultimatum. Eight million³ marks supplemented by deliveries in kind, notably coal, should cover first four or five millions of reparation—most particularly if internal price of coal in Germany is raised as, in my opinion, it should be. Whether such a scheme is practicable or not is doubtful but there appears no disadvantage in its being exploited and in soundings being taken in the United States. If it could be carried out it would get us over the early years of the reparation payments: it would also meet French immediate requirements and it would make Germany a debtor to the international markets instead of to the allied Governments.

Speaking generally Committee of Guarantees appears to have made an auspicious start.

¹ See No. 608.

² A repetition of this section, requested in Foreign Office telegram No. 169 of July 1, was received in Berlin telegram No. 345 of July 2. The amended text here read: '... Depends largely on stabilisation of mark. This in its turn depends mainly on equilibrium of budget.'

³ According to Berlin telegram No. 345, '“8 million” should read “8 milliard” both times'.

No. 649

Lord Hardinge (Paris) to Earl Curzon (Received June 30, 10.30 a.m.)
No. 430 Telegraphic: by bag [C 13385/322/18]

PARIS, June 29, 1921¹

The Conference of Ambassadors met this morning under the chairmanship of M. Jules Cambon and considered the following questions:—

...² 4. In accordance with the instructions contained in Your Lordship's despatch No. 1624 of June 13th,³ I again invited⁴ the Conference to make representations to the German Government protesting against the attempt made by the latter to levy Reichsnotopfer⁵ and similar war taxes on capital on Allied nationals, in violation of Article 297 (j) of the Treaty of Versailles. The French withdrew their previous objection and my proposal was accepted. It was at the same time decided to instruct M. Alphand, Director of the Sequestration Department of the Ministry for Foreign Affairs, to examine the whole question of the execution of Article 297 (j) and to submit a draft note to the German Government which shall cover all cases of violations by the German Government.

¹ The time of despatch of this telegram is not recorded.

² The sections omitted referred to other matters.

³ Not printed.

⁴ The previous occasion was on May 20, as reported in Paris telegram No. 297 of May 20, not printed.

⁵ The Reichsnotopfer, established by a law of December 31, 1919, was a graduated tax, ranging from 10 per cent. to 65 per cent., levied on all capital in Germany. In Paris telegram No. 542, section 8, of July 27, not printed, Sir M. Cheetham reported that a draft note submitted by M. Alphand (copy of which was enclosed in Paris despatch No. 2115, of July 25, not printed) had been approved, with minor alterations. A copy of the note as sent was transmitted in Paris despatch No. 2242 of August 6, not printed.

No. 650

Lord D'Abernon (Berlin) to Earl Curzon (Received July 1, 9.50 a.m.)
No. 340 Telegraphic [C 13448/2740/18]

BERLIN, June 30, 1921, 5.41 p.m.

Your telegram No. 164.¹

I am communicating substance to Mr. Leith Ross who has now returned to Paris.²

Committee of Guarantee[s] finally decided—mainly to meet views of French members—that each of its members should address his own Government separately but I understand that definite opinion of committee was that speaking solely from an economic standpoint 'schedule of payments under reparation might be more completely executed if economic sanctions now in force in Rhineland were suppressed'. I will forward full text of draft note by bag.³

¹ See No. 646, n. 3.

² See No. 648.

³ The draft note was enclosed in Berlin despatch No. 885 of June 29.

No. 651

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston¹
(Received July 1, 3.40 p.m.)

No. 341 Telegraphic [C 13546/2740/18]

BERLIN, July 1, 1921, 1.40 p.m.

Minister for Foreign Affairs called on me this morning in a state of some agitation regarding removal of sanctions in view of speech he has to make this afternoon in Reichstag. He brought me a telegram from Doctor Mayer² recording an interview with Monsieur Briand, which he considered so unfavourable that his position with Reichstag would be impossible.

On perusal of this telegram, I formed the opinion that Monsieur Briand's declaration . . .³ Mayer had been rather less negative than might have been expected from his public utterances. He declared notably that he would insist on maintenance of sanctions only until conditions of ultimatum had been carried through 'en principe.'

General tone appeared not more unfavourable to German contentions than French internal political conditions rendered for the moment imperative.

I asked Minister for Foreign Affairs if he had had a full report of Your Lordship's conversation with Doctor Sthamer on June 23rd. As he replied that he had only received short summary, I read to him leading passages of your despatch No. 649 of June 23rd⁴ as these are most authentic and clearest possible statement of position of His Majesty's Government. Minister for Foreign Affairs appeared somewhat reassured by language used to Sthamer.

Repeated to Paris.

¹ Official notice of Lord Curzon's new title had been given by the Foreign Office on June 28.

² German Ambassador in Paris.

³ The text is here uncertain.

⁴ No 644.

No. 652

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 6, 10.30 a.m.)

No. 457 Telegraphic: by bag [C 13804/2740/18]

PARIS, July 5, 1921

Rhineland Sanctions.

There are certain indications (though not as yet very strong) that a more reasonable view is beginning to penetrate in France as regards withdrawal, despite truculent resolution adopted by Chamber of Deputies Commission on Foreign Affairs (see my telegram No. 439)¹ and bitterness aroused by speech

¹ Of June 30. It ran: 'The Foreign Affairs Commission of the Chamber of Deputies adopted yesterday following resolution: "The Commission of Foreign Affairs counts on the Government to ensure that none of the military or economic sanctions adopted in March and April in regard to Germany shall be abandoned before the complete execution of the obligations in view of which they were applied."'

of German Minister for Foreign Affairs in Reichstag on June 30 contrasting obstinacy of France with moderation of Italy and Great Britain. Several serious writers in important newspapers now admit, for instance, that France could hardly stand out alone at forthcoming Supreme Council against Great Britain, Italy, Belgium and possibly United States; that the Customs Sanctions at any rate would no longer have a *raison d'être* if the Guarantee Committee were to demand the whole of the German Customs revenue as guarantee for payment of annuities; that the tax on German exports has never provided any advantage for France, and other Sanctions add little or nothing to guarantee resulting from occupation of Rhineland under Treaty of Versailles; that if Germany gives satisfaction as regards payment of reparation and disarmament, withdrawal of Sanctions need not await conclusion of trials of war criminals; that in order to be solvent, Germany needs a certain amount of economic independence; that France might accept a compromise whereby sanctions are progressively withdrawn in proportion as Germany keeps her promises. On the other hand it is still generally insisted that in view of the instability of the Wirth Government and the small measure of satisfaction as yet given to Allies' requirements over a short period, the sanctions, if and when withdrawn, must be replaced by some equally reliable guarantees for Germany's future good behaviour such as cessation of German boycott of French goods, complete suppression of General Hofer's army,² and Bavarian military formations, attribution to Guarantee Committee of adequate powers for carrying out its mission, conclusion of a Franco-German commercial agreement, and automatic renewal of sanctions in event of future German default or obstruction; it is even suggested that United States, Great Britain and Italy should go bail for Germany fulfilling her undertakings. Chief obstacles to French acquiescence in withdrawal of sanctions appear to be suspicion that present agitation in Germany is mere trickery and blackmail and apprehension lest pan-Germanist opposition may be strengthened and door thus be opened to further concessions as regards Upper Silesia etc.; it is therefore urged that there should be no undue haste and in any case Upper Silesian frontier should be settled first.

It would be rash to build too great hopes on present signs of increasing moderation, but it seems likely that Monsieur Briand, who has hitherto had to reckon with uncompromising spirit prevalent in Chamber, may prove more accommodating now that Parliament is about to adjourn for three months. It is also interesting to note that my military advisers now find Marshal Foch's staff have no idea of resorting to further sanctions and are well satisfied with latest reports from General Nollet, which show military clauses of ultimatum are executed except as regards dissolution and disarmament of Selbstschutz organisations and reorganisation of police.³

² See No. 110.

³ Referring to this telegram in his telegram No. 467 of July 8, Sir M. Cheetham reported: 'The slight movement in favour of greater moderation as regards Rhineland sanctions has now completely disappeared in consequence of news of murder of French officer [Major Montalègre, see No. 225] at Beuthen and acquittal of General Stenger [see Vol. VIII, No. 20, pp. 238-41] at Leipzig.'

No. 653

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received July 9, 11.50 a.m.)

No. 353 *Telegraphic* [C 14039/508/18]

BERLIN, July 8, 1921, 5.20 p.m.

Chancellor's speech¹ on financial position was a decided success. His declarations have been well received by all parties. Presentment of position was sensible, skilful and fairly correct, but he made picture somewhat brighter than it really is. General line of his financial proposals follows very closely that suggested by Brussels conference, but he increases direct taxation more than Brussels experts advised.² He attaches dominant importance to currency reform and cessation of further issues of paper money. Enormous increases of revenue which are required he proposes to obtain in equal proportions from direct and indirect taxation. Result of this scheme on party opinion is curious since Left are more or less reconciled to it on the ground that capitalists will have to disgorge; while Right are less hostile than might be expected in order to show Wirth their satisfaction at his having thrown over-board all the theoretical conceptions of the Left regarding indirect taxation.

One must not conclude from favourable reception of general outline that individual taxes will go through easily. There will undoubtedly be bitter contests over separate tax bills in September and October.

Wirth's speech concluded with an energetic declaration that since Germany was going to (? do) her utmost to pay reparation, it was now the turn of the Entente to respond by measures calculated to assist Germany's economic recovery and to abstain from action regarding sanctions and Upper Silesia which constituted grave injustice to Germany. This conclusion must be regarded as something more than a peroration. It is not so much that financial injury done to Germany is vital; it is serious, but this argument may be overdone. It is that failure to obtain (? satisfaction) in these questions will certainly be fatal to Wirth Government who probably alone possess the will and authority necessary to carry out obligations of the ultimatum.

¹ A summary of the Chancellor's speech in the Reichstag on July 6 was transmitted by Lord D'Abernon in Berlin telegram No. 360 of July 9, not printed; see also *The Times*, July 7, p. 9.

² See No. 429.

No. 654

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received July 14, 11 a.m.)

No. 365A *Telegraphic* [C 14394/2740/18]

BERLIN, July 13, 1921, 1.35 p.m.

Sir M. Cheetham's telegram No. 457¹ giving views current in Paris is so illuminating that it may be useful if a complementary statement is attempted

¹ No. 652.

to give views generally held here. Telegram states that there are indications of a more reasonable view being taken in France regarding withdrawal of sanctions. It is still, however, generally insisted upon that, on account of

(A.) Instability of Wirth Government and (B.) small measure of satisfaction as yet given to allied requirements, sanctions, if and when withdrawn must be replaced by some equally reliable guarantees of Germany's future behaviour. It is further added that chief obstacles to French acquiescence in withdrawal of sanctions is apprehension lest pan-Germanism may thereby be strengthened.

An intelligent German would hold that above reasons against withdrawal of sanctions can only be believed in France if situation here is completely misunderstood. Instability of Wirth Government which is held to be a reason against withdrawal is in reality caused in the main by non-withdrawal itself. French opinion indeed alleges as a reason against withdrawal what is, in the main, result of non-withdrawal. It is creating danger which it fears, like a dog barking at its own shadow.

Same observer would hold that second point, namely, small measure of satisfaction as yet given to allied requirements can only be maintained by those who are not informed as to the facts. During the seven weeks in which Wirth Government has been in power, gold and Treasury bonds to enormous amount of 50 million sterling have been handed over to the Allies by German Government—arrangements for future working of ultimatum guarantees have been negotiated and whole of Einwohnerwehr and Orgesch organisations have been finally dissolved—greater portion of arms belonging to them having been handed over to Commission of Control.² So far from constituting a small measure of satisfaction Wirth succeeded in carrying through unprecedented achievements.

Real danger of situation, indeed, may be alleged to proceed (1) from fact that sanctions have not been withdrawn; and (2) from failure of public opinion in Entente countries and of press of those countries at all to understand and appreciate immense effort which has been made by Wirth Government and success in positive achievements which it has resulted in.

While German temperament requires orders rather than requests, it also requires, if effort is to be sustained, some recognition of its efforts and some return for its performance.

It is held in Germany by those who desire improvement in relations with France that French opinion, speaking generally, is open to criticism, that it has failed to make sufficient distinction between different German Governments—between those who pursue reasonable policy and those who were not reasonable and resisted just claims. This general criticism is still true. Real danger proceeds from Right—and chance that they may upset Wirth Government. This chance is directly increased by an unreasonable attitude on the part of France and by refusal to withdraw measures of compulsion for which essential cause and justification have been removed. With suitable recognition on the one side and suitable measures of pressure ready for eventualities

² See No. 608 and Chap. VII, below.

on the other there is no reason why satisfactory policy of last few weeks should not be upheld and continued. But a 'fortissimo' at appropriate moment is not obtained by (? hitting) continuously on the piano—some light and shade must be introduced. German Government must be placed in a position to show public here that conformity with policy and demands of the Entente pays; that it pays not only in far and uncertain future but in the immediate and positive present. Otherwise requisite support will be lacking to maintain a German Government in power.

Above summary may be held to represent, not unfairly, general view of an intelligent section of German public.

Repeated to Paris.

No. 655

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received July 14, 10.30 p.m.)

No. 368 Telegraphic [C 14420/386/18]

BERLIN, July 14, 1921, 6.40 p.m.

Latest available information regarding payment of milliard gold marks, or fifty million sterling payable August 31st is as follows:—

Payments have already been made to Reparation Commission of one hundred and fifty million gold marks, fifty-five million gold marks (? [and] 44 million gold marks), total two hundred and forty-nine million. German Government have obtained advance through Mendelsohn of one hundred and fifty million and special Government exchange office (Devisenbeschaffungsstelle) has two hundred million bills in their portfolio. This makes total of 599 million. There remain 401 million to be found before end of August. I understand there is every prospect of finding necessary exchange as banks are known to have an ample supply.

If above information turns out correct difficulty (? for the present) will have been negotiated successfully.

No. 656

Sir B. Blackett (Treasury) to Sir E. Crowe (Received July 15)

No. F. 3101 [C 14479/416/18]

Pressing

TREASURY, July 14, 1921

My dear Crowe,

I enclose an official letter on a reparation question together with copies of two letters from Bradbury and one from McFadyean which are the foundation for the official letter.

Yrs. sincerely,
BASIL P. BLACKETT

ENCLOSURE 1 IN No. 656

*Sir B. Blackett (Treasury) to Sir E. Crowe**Pressing*

TREASURY, July 14, 1921

Sir,

I am directed by the Lords Commissioners of His Majesty's Treasury to request you to inform the Marquis Curzon of Kedleston that They have heard with considerable anxiety reports from various quarters in regard to the discussions which have been taking place between Monsieur Loucheur and Herr von Rathenau on the subject of German participation in the reconstruction of the devastated areas of France.¹ These reports are to the effect that the French are anxious to obtain from Germany deliveries in kind over the next year or two of a very high value, but that in order to avoid the necessity of making payment for these deliveries to Reparation Account Monsieur Loucheur has been trying to arrange for the German Government to spread payment for these deliveries over a period of years, the whole payment to cover as much as thirteen years. This scheme would not only place a heavier burden on Germany during the early years of the reparation period than that arising under the schedule of Payments fixed by the Reparation Commission but would also in effect establish a priority for France over other participants in reparation. It is not of course possible for Their Lordships to know precisely what value to attach to the reports which have reached Them. If the reports represent the facts even approximately, Monsieur Loucheur is engaged in trying to negotiate a separate agreement with Germany in regard to reparation behind the backs and contrary to the interests of France's partners, a practice which if continued would obviously break down the whole machinery of the Reparation Chapter of the Treaty of Versailles. In these circumstances My Lords would suggest that the attention of the French Government should be drawn to the subject through diplomatic channels with a view to obviating the disastrous consequences which would ensue should the conversations lead up to anything in the nature of an agreement between France and Germany which would have to be vetoed by the Reparation Commission.

I am, &c.,

B. P. BLACKETT

ENCLOSURE 2 IN No. 656

*Mr. A. McFadyean (Paris) to Sir B. Blackett (Treasury)**Confidential*

REPARATION COMMISSION, PARIS, July 5, 1921

My dear Blackett,

I have just had a long talk with Delacroix and Bemelmans about the Franco-German negotiations which are going on, particularly with regard to deliveries in kind.

¹ For the origins of these conversations, which began on June 12 at Wiesbaden, see L. Loucheur *Carnets Secrets, 1908-1932* (Brussels, 1962), pp. 84 ff.

Loucheur has visited Delacroix, and told him the following story. He is exceedingly anxious to obtain from Germany during each of the next three years, in order to meet the needs of the Devastated Regions, deliveries in kind to the value of three milliards. But he cannot pay for all this quantity, and he has practically agreed with the Germans that the larger part of it will be spread over the succeeding seven years. According to his story, the Germans were going to manage the matter by setting up a large company which would finance the deliveries over the extended period.

The Germans tell Delacroix a slightly different story. To begin with, they do not agree to the possibility of three milliards, but they put the figure very high. They would not set up a private company, for such a company would really have to be formed by the big banks, who would thus be given far too much power over the German Government. According again to the Germans, Loucheur is willing to be debited only with the coal and with 35 per cent. of other deliveries in kind, leaving the balance to be spread over the succeeding period. The German Government propose to find the money in order to enable them to conduct the operation by means of an internal loan.

Delacroix did not seem to think that the plan was in substance unworkable. I expressed my personal view that the Schedule of Payments in itself was an almost impossible burden upon Germany, and that the German Government must be mad to think of increasing that burden; that an internal loan for such a purpose was merely piling up trouble for the future, especially when it was considered that an internal loan would probably be necessary even for the Schedule of Payments; finally, that any system which put a heavier burden on Germany in the earlier than in the later period seemed to me to be patently wrong-headed—and in all this Bemelmans expressed agreement.

The danger that had impressed Delacroix, and it is a very obvious one, was that at the end of a year it would appear that the coal, 35 per cent. of the other deliveries to France, and the other payments in cash or in kind made by Germany fell below the Schedule obligation, while these payments, together with the 65 per cent. of other deliveries to France, would be in excess of the Schedule. The result would be that technically Germany would have defaulted, though in substance she would have paid to the Allies even more than was due, and France would have received a priority to which she was not entitled. My own opinion is that this is precisely the result upon which both Germany and France must be banking if they are really going to reach an agreement on the above lines.

Delacroix wanted not only to put the British Delegation 'au courant', but also to ask me whether I did not think that the Reparation Commission ought to intervene before matters went any further. I replied that I thought that it would be very bad policy for the Commission to interfere in private conversation between the French and German Governments which would be used to misrepresent the Reparation Commission as an obstacle to friendly arrangements. They replied that it would be much worse to have to interfere when an arrangement was concluded, to which again I replied that if an

arrangement was either unjust to Germany or unfair to one of the other Allies, we could intervene without loss of prestige.

It appeared, however, that what they were thinking of was not direct intervention. According to them, Rathenau is anxious to come to Paris to discuss matters with the Reparation Commission if he is given a pretext. The pretext can easily be furnished by asking him to come to discuss how prices are to be fixed for deliveries in kind, and, in the view of the Belgian Delegation, if Rathenau comes to Paris for this purpose he will find it impossible to avoid discussing the trend of the negotiations. To this I said that I could see no possible objection. It was a subject which it was our right and even our duty to discuss with the Germans at any time.

Another subject which is being discussed between the French and Germans is f.o.b. coal.² Apparently the Germans are now inclined to sacrifice all claim to an f.o.b. price credit for the past if the French would undertake, as they certainly will, to call for no more cattle deliveries by way of reparation. This means the surrender by the Germans of a claim of something like 180,000,000 gold marks. The Belgians are naturally rather taken aback and I was able to tell them that, as far as I could forecast the view of the British Delegate and the British Government, we would be no party to an arrangement the effect of which is to decrease the amount available on the 1st May by a sum of some 180,000,000 gold marks and relieve France of a like liability. It might, in fact, make all the difference between solvency and insolvency on Army of Occupation account on the 1st May. The Reparation Commission would obviously not be bound morally or otherwise to endorse any such arrangement involving, as it does, inequity to the other Governments represented on the Commission.

I promised to inform Bradbury fully on his return,³ and meanwhile I have of course imparted the above information to Kembell-Cook. I told the Belgians that you were very much interested in these questions and they made no objection to my passing on the information to you as semi-officially received.

I dictate this note very hastily immediately after my interview without having had time to reflect much on all the bearings of the questions.

Yours sincerely,

ANDREW MCFADYEAN .

² The seller, when selling f.o.b. ('free on board'), undertakes to place the goods on board a ship at an agreed port of shipment at his own cost while the buyer pays subsequent charges (storage on board ship, freight, marine insurance, unloading charges, import duties, &c.). See C. M. Schmitthoff, *The Export Trade*, fourth edition (London, 1962), pp. 14-21.

³ Sir J. Bradbury was absent from the meetings of the Reparation Commission on July 1 and July 5, at which he was represented by Mr. Kembell-Cook, a member of the British delegation.

*Sir J. Bradbury (Paris) to Sir B. Blackett (Treasury)*REPARATION COMMISSION, PARIS, *July 8, 1921*

My dear Blackett,

Bergmann⁴ came to see me this afternoon to give me information semi-officially about the negotiations which have been taking place between the French and German Governments on the subject of the restoration of the Devastated Regions. He told me that up to the present the conversations have been entirely personal, it being understood that the suggestions made respectively by Loucheur and Rathenau do not bind their respective Governments. It appears, however, that an informal understanding has been reached on the general lines indicated by Delacroix to McFadyean (see McFadyean's letter to you of the 5th instant).⁵

The main idea is that Germany should undertake to supply to France goods and services to the value of three milliards a year in each of the next three years, that France should be debited with only 35 per cent. of the value of these goods and services in the year in which they are supplied and rendered, and the balance should be spread over a period of ten years. The whole scheme would thus cover thirteen years.

It would be understood that, so far as the 'etat de paiement' is concerned, only the amounts debited against France year by year would be taken into account towards the reparation annuity, the balance constituting a liability which Germany would have to meet in addition to her liability under the 'etat de paiement'.

Bergmann said that the German Government quite realised that before a definite agreement could be entered into the Reparation Commission would have to be consulted, and that if the French Government did not bring the matter before the Commission at an early date he proposed to do so himself.

I told him that, while the British Government would undoubtedly be sympathetic towards any scheme for expediting the restoration of the Devastated Areas, I thought it was highly improbable that it would entertain the plan proposed in anything like its present form, since the proposals as they stood clearly had the effect of giving France a priority in reparation over the other Allies.

In reply to this, Bergmann said that he quite understood that the full annuities would have to be paid each year to reparation account, and the balance of the supplies furnished to France over and above the amount for which France would be debited in the year would be in addition to the reparation annuities. I expressed surprise that Germany could contemplate assuming such an additional liability, regard being had to the fact that she had already complained that her liability under the 'etat de paiement' was more than she could bear. In answer to this, he said that the supplies for the Devastated Areas were supplies which Germany could produce from her own

⁴ See No. 423, n. 3.⁵ Enclosure 2.

internal resources without appreciable prejudice to her other exportations, that France would only take them if they were given on credit, and if France did not take them they could not be produced at all, nor would their non-production set free any appreciable amount of German labour or materials which could be diverted to the production of exports which could be sold for cash. He added that in any case the first few instalments of the 'etat de paiement' annuities would have to be provided by a foreign loan, that the French payments were only delayed and would be available towards the 'etat de paiement' annuities from the fourth to the thirteenth year—the time when they would be most needed.

I said that I felt very doubtful whether the British Government would look at the plan at all, but that, if it did, I was sure that it would require some sort of guarantee that the payment of the full annuities year by year in cash or realisable debits against Powers entitled to reparation would be forthcoming. This might be secured if the French Government undertook, in the event of a deficiency arising from any cause whatever in the German payments in any year, that they should be debited forthwith with such amount of the outstanding balance of the deferred debits as might be necessary to make up the deficiency, or alternatively, that a scheme should be devised for the supply of German goods to France for reconstruction purposes on credit outside the financial machinery of reparation altogether. I said that I threw out these suggestions merely in a personal capacity, and I could not undertake that either of them would appeal to my Government.

Bergmann told me that in the early stages of the negotiations Loucheur proposed to spread the payments for coal in a similar manner but that the German Government regarded it as essential that at least one milliard out of the total deliveries in kind should be available towards the annuity for the year, and Loucheur is now prepared to agree to leave the coal payments on their present basis, the idea being that the value of these, plus the 35 per cent. of the reconstruction deliveries, would, even if these latter failed to attain the dimensions hoped for, be sufficient to produce one milliard.

Another proposal which Loucheur had put forward and to which the German Government was disposed to agree was that France should waive her right to further cattle deliveries in return for Germany agreeing to accept credit for all coal delivered as if it were land borne.

In reply to this, I said that France and Germany were not the only Powers interested in the prices to be credited and debited for the coal deliveries, and though the British Government had been at one time willing to accept the interpretation given to the Treaty by the majority of the jurists under which coal would be deemed to be land-borne if the greater part of the transit to the receiving country were by land, provided that that interpretation were accepted by the Germans, I was not at all sure that that offer was still open, or, even if it were, that we should be prepared to go the further step and to agree to all coal being treated, for the purposes of debit and credit, as if it were land-borne however it might be transported.

Bergmann appeared to be under the impression that, as regards the past,

the coal price was not very material to Germany, as a reduction would merely have the effect of increasing the 82 milliards of unbonded debt under the 'etat de paiement'. I pointed out to him, however, that it was highly improbable (more particularly if the United States ratified the Treaty in a modified form) that the payments and deliveries to 1 May, 1921, would cover the coal advances and the costs of Armies of Occupation, and that therefore the effect of diminishing the credit to Germany in respect of the coal deliveries would be to leave Germany owing cash for the Armies of Occupation deficit. To this Bergmann replied that, even so, the saving on the cattle deliveries, regard being had to the very much higher prices which the German Government had to pay for the cattle in Germany than the amount of credit given by the Reparation Commission, would more than cover the loss on the coal account.

My general impression is that there must be more behind these negotiations than appears on the surface, as both the reconstruction deliveries and the concession in regard to coal seem to me to be very bad bargains from the German point of view. Whether the French are inclined to make some concession in regard to Upper Silesia or the maintenance of the sanctions, or whether the Germans are merely seeking to create a bone of contention between ourselves and the French I do not know, but the question is clearly one that will have to be dealt with in relation to general policy.

The attempt of Loucheur to secure a French priority through a back door is very reprehensible. At the same time, the French financial situation is clearly desperate, and in view of the credits which the French Government has to extend to the 'sinistrés' it is not surprising that they should be seeking to get the reconstruction supplies on credit likewise.

I should be very glad if you would let me know as soon as possible the general line which the Government wishes me to adopt when the matter comes before the Commission. I gather that Bergmann's present intention is to ask Loucheur to raise it next week, and if he fails to do so, himself to ask the Commission for a private interview.

Yours sincerely,
JOHN BRADBURY

ENCLOSURE 4 IN No. 656

Sir J. Bradbury (Paris) to Sir B. Blackett (Treasury)

Private

REPARATION COMMISSION, PARIS, July 13, 1921

My dear Blackett,

The situation in regard to the Loucheur-Rathenau negotiations has gone through some curious phases during the last few days of which I think you ought to be aware.

After his interviews with Delacroix and myself,⁶ Bergmann pressed upon

⁶ In a letter written earlier on July 13, a copy of which was enclosed in Sir M. Cheetham's despatch No. 2045 of July 15, not printed, Sir J. Bradbury informed Sir B. Blackett as follows: 'Bergmann has been approaching Delacroix and myself with a view to persuading us to induce the Reparation Commission or Committee of Guarantees to announce as a

Loucheur the necessity of bringing the matter before the Reparation Commission and, indeed, went so far as to say that if Loucheur failed to do this he, Bergmann, would do it himself.

Last evening I received from the Secretary of the French Delegation a Note purporting to come from Loucheur, of which a copy is enclosed,⁷ and this morning Loucheur told Bergmann (presumably referring to this Note) that he had placed me 'au courant' with the situation.

Copies of the Note were also given by the Secretary of the French Delegation to the other Delegates and this afternoon we met and discussed the matter and sent Delacroix and Mauclère to see Loucheur.

I said at the meeting that I felt pretty sure that the Loucheur Note must be based upon some misunderstanding as the French Government could never have intended to claim, regard being had to the provisions of Para. 12 of Annex 2 to Part VIII of the Treaty that they were entitled to enter into independent arrangements with the German Government in regard to reparation matters subject only to their notifying such arrangements after they had been concluded to the Allied Powers and the Reparation Commission and discussing common interests in the light of a 'fait accompli'.

Delacroix has just returned from his interview with Loucheur and tells me that the latter has now made a complete 'volte face'. He disavows the paternity of the Note sent in his name by the Secretary of the French Delegation, saying that his only instructions to Monsieur Aron⁸ were to put the Delegations to the Reparation Commission 'au courant' of what was happening and that he himself will come to the Commission on Friday⁹ and give us a full explanation of the arrangements which the French Government desires to conclude. He agrees entirely that in so far as the Treaty functions of the Reparation Commission are concerned the Reparation Commission is sovereign.

This being so I do not think we have any alternative except to wait for Friday and I think we can safely do this since what I hear from Bergmann is that a draft agreement is being prepared for discussion between Loucheur and Rathenau, who have arranged to meet again for the purpose next week. Bergmann also assures me that the German Government will not sign anything until the matter has been brought before and considered by the Reparation Commission.

spontaneous action that in so far as Germany may not be in a position to meet the whole outstanding balance of the three months' German Treasury bills on the due date we will accept renewals at 5% interest for a further three months, taking the Reichsbank gold as security and, if possible, letting out the four great Banks as endorsers.' Sir J. Bradbury continued: 'Both Delacroix and I have told him that, in view of the position which the Milliard occupies as the keystone, in public estimation, of the new reparation settlement, it is almost impossible that the Allies should spontaneously make an offer of this kind, while for the Germans to ask for it would, in view of the fact that the Milliard was originally offered by the Germans within a period of three months, make the worst possible impression.'

⁷ Not printed.

⁸ A member of the French delegation to the Reparation Commission.

⁹ i.e. July 15.

Probably Friday will only see another wriggle. I am pretty clear that Loucheur's policy is to get a provisional agreement with Germany which the Reparation Commission and the Allied Governments can only turn down if at all after the event at the expense of incurring the odium of delaying French reconstruction which the German Government is perfectly willing to undertake.

The events of the last few days have, for the moment, defeated this policy, but I suspect that Loucheur will now play for delay until his meeting with Rathenau next week, with a view to springing something on the public immediately afterwards. I am disposed to think, therefore, that it would be a good move on your part to make immediate representations to the French Government through diplomatic channels expressing anxiety on the subject of the reports you have heard of the discussions in question and pointing out the dangers to Inter-allied interests generally which would arise if separate agreements should be concluded between individual Allied Powers and Germany in regard to reparation questions—a practice which if instituted by any one Power must necessarily become general, involving the breakdown of the machinery constituted by part VIII of the Treaty of Versailles.¹⁰

Yours sincerely,

JOHN BRADBURY

¹⁰ A further copy of this letter was enclosed in Sir M. Cheetham's despatch No. 2045 of July 15.

No. 657

Note from Sir M. Cheetham (Paris) to M. Briand¹

No. P. 1078 [C 15048/416/18]

Urgent and Confidential

BRITISH EMBASSY, PARIS, July 16, 1921

Monsieur le Président du Conseil,

Under instructions² from His Majesty's Principal Secretary of State for Foreign Affairs I have the honour to inform Your Excellency that His Majesty's Government have heard with some anxiety reports from various quarters in regard to discussions which have recently taken place between Monsieur Loucheur and Herr Von Rathenau on the subject of German participation in the reconstruction of the devastated areas of France. These reports are to the effect that arrangements are contemplated for the supply by Germany of deliveries in kind over the next year or two of a very high value, and that an endeavour is being made to arrange for the German Government to spread payment for these deliveries over a period of years, the whole payment to cover as much as thirteen years.

¹ A copy of this Note was enclosed in Sir M. Cheetham's despatch No. 2117 of July 23, not printed.

² In Foreign Office despatch No. 1962 of July 15 Lord Curzon enclosed copies of the correspondence printed as No. 656 and stated: 'I shall be glad if you will at once inform the French Government of the substance of these reports and make an immediate enquiry as to their accuracy.'

This scheme would apparently not only place a much heavier burden on Germany during the early years of the reparation period than that arising under the schedule of payments fixed by the Reparation Commission, but would also in effect establish a virtual priority for France over the other participants in reparation.

His Majesty's Government are not of course in a position to verify the information which has reached them. The Marquess Curzon feels confident, however, that Your Excellency will readily recognize the danger to Inter-Allied interests generally which would arise if separate agreements should be considered between individual Allied Powers and Germany in regard to reparation questions—a practice which, if instituted by any one Power, must necessarily become general and involve the breakdown of the machinery consituted by Part VIII of the Treaty of Versailles. His Lordship therefore desires me to enquire whether Your Excellency would be good enough to inform me of the value which he should attach to the reports already alluded to.

I have, &c.,
M. CHEETHAM

No. 658

Sir B. Blackett (Treasury) to Sir E. Crowe (Received July 21)

[C 14901/416/18]

TREASURY, July 21, 1921

My dear Crowe,

In continuation of my letter of the 14th instant¹ I enclose copies of two further letters from Bradbury on the Loucheur-Rathenau conversation.

Yours sincerely,
BASIL P. BLACKETT

ENCLOSURE 1 IN No. 658

Sir J. Bradbury (Paris) to Sir B. Blackett (Treasury)

REPARATION COMMISSION, PARIS, July 15, 1921

My dear Blackett,

Loucheur came and gave us his promised exposé of the Loucheur-Rathenau negotiations this afternoon.

The plan, as he explained it, is that France should be debited with the actual deliveries in kind to France, including coal and dyestuffs, in each year, or one milliard, whichever is less. In any year in which the deliveries exceed one milliard, the balance is to be carried forward with 5 per cent. interest, to be liquidated in any year between now and 1934, in which the deliveries are less than a milliard, or in so far as not so liquidated to be debited in four equal half-yearly instalments in 1934-36.

¹ No. 656.

According to Bergmann, whom I saw immediately afterwards, this is not quite correct, the arrangement being that the debit in the first three years is not to exceed coal, plus dyestuffs, plus 35 per cent. of the other deliveries, or one milliard, whichever is less.

As regards the f.o.b. price of coal, Loucheur contented himself by saying that discussion had taken place but no decision had been arrived at. I gathered from Bergmann that the French and Germans have agreed to put forward as a joint proposal to the Reparation Commission that all coal shipped from Rotterdam, Antwerp and Ghent should be debited at the land-borne price (this is in exchange for the concession in respect of the deliveries of cattle, as I have already explained).²

In the course of discussion, Loucheur agreed that the proposed arrangement constituted 'a sort of priority for France', but he defended it on the ground that, apart from some such arrangement, France would not consent to receive the deliveries in kind, and that their value would be lost altogether to reparation since it was not possible for Germany to substitute other exports.

He seemed inclined to argue that if the proposed arrangements were made between French and German commercial syndicates, they did not concern the Reparation Commission or the inter-Allied reparation agreements at all, but he did not press this point of view and said that he fully appreciated the importance of an 'accord préalable' between the Allied Governments interested in reparation, and he was bringing the whole matter before the French Government with a view to the Allied Governments being approached in respect of it.

I emphasized the importance of not publishing anything and not allowing anything to leak out until such an 'accord préalable' had been attained, and did not disguise my conviction that there might be considerable difficulty in obtaining such an 'accord.'

Loucheur said that he fully appreciated the importance of this aspect of the matter and he would do his best to secure that the necessary communications were made with as little delay as possible. He was, however, careful to avoid committing himself to any promise not to enter into a provisional agreement in advance of such communications.

He added that the whole of the arrangements were made in the general interests of reparation, that he personally had always been convinced that, if reparation was to be obtained at all, it would have to be mainly in the form of deliveries in kind, that France was really the only Power willing to accept deliveries in kind on a large scale, and therefore it was well worth the while of the other Allies to give France a certain amount of credit in the matter of payment, since the choice which confronted them was one between getting their share a little after the event, or not getting it at all. He said that he was finding it very difficult to convince French public opinion of the desirability of accepting these deliveries, and if the other Allies did not like the plan and turned it down he would, from his own personal point of view, find such a result a great relief.

² In No. 656, enclosure 2.

The upshot of it all is, as I expected, that Loucheur's statement carries us very little further, except that we have now information both from his side and the German as to what is contemplated.

I suggested by telephone to-day that I would come over to discuss the matter this week-end if you thought there was any advantage, but I gather that the Chancellor is not likely to have any time at his disposal on Monday.³ I will of course hold myself in readiness to come over any day next week if you send for me, although I do not think that there is really much that I can add to my letters.

Yours sincerely,
JOHN BRADBURY

ENCLOSURE 2 IN No. 658

Sir J. Bradbury (Paris) to Sir B. Blackett (Treasury)

REPARATION COMMISSION, PARIS, *July 16, 1921*

My dear Blackett,

My letter of yesterday⁴ on our conversation with Loucheur was dictated rather hurriedly to catch the bag and I omitted one part of the discussion which seemed to me very illuminating.

The plan contemplates 3 milliards g[old] m[arks] deliveries annually to France (including coal, dyestuffs, etc.) for three years—9 milliards in all. Of this one milliard a year would be debited to France and credited to the German annuity in the year and the balance carried forward. The result would be that Germany accepts a liability to make 2 milliards of deliveries per annum for three years in addition to the Etat de Paiement annuities.

I pointed out that this 2 milliards (as representing German exports) would appear in the index figures and operate to increase the Etat de Paiement annuities themselves by 26% on 2 milliards, making the total addition to the annual burden on Germany over 2½ milliards.

I asked Loucheur what he contemplated would happen if Germany proved unable to bear the burden and defaulted in respect of the Etat de Paiement annuity pleading the heavy deliveries in kind to France as an excuse.

As regards the index figure he said that he thought it would be fair to leave these deliveries out of account for the purposes of the index figure, and as regards the other point he said that as the burden was being voluntarily undertaken by Germany the excuse I had suggested would not be open to her.

When I suggested that it would be reasonable in the event of the annuity payments not being met that France should be liable to have the postponed debit called up to meet the deficiency, he replied quite frankly that such an arrangement would make the plan quite unacceptable from the French point of view.

The suggested exemption of the deliveries from the index figure would obviously give Germany a very strong motive for paying her reparation debt

³ i.e. July 18.

⁴ Enclosure 1.

in this manner rather than by exports which can be sold for cash. Indeed it looks to me as if both from the French and German point of view the whole idea is to concentrate on the deliveries and leave the annuities to look after themselves.

If France gets her 3 milliard deliveries a year for the next three years and Germany pays nothing else France will probably for the time being be substantially better off, regard being had to existing priorities, than if the *Etat de Paiement* obligations are maintained in respect of all parties.

As regards my own line in the discussion I did not think it wise to make a frontal attack on the plan but merely said that to my mind it involved a profound alteration of the existing Inter-allied agreements. I therefore urged the French Government to take the matter up with the Allied Governments before committing themselves to any course of action. If the matter came before the Reparation Commission while existing Allied agreements stood in their present form we should in my opinion have no alternative to disapproving it and a very embarrassing situation would result.

As you know, my personal opinion has always been that some concession will have to be made to the French in regard to payment for deliveries in kind, at any rate in the event of their exceeding the French share of the available cash, but the Loucheur plan of course goes leagues beyond this—indeed it is designed to securing a considerable share of the cash for France however big the deliveries may be and I cannot imagine that the British Government would look at it.

Yours sincerely,
JOHN BRADBURY

No. 659

*Note from M. Briand to Sir M. Cheetham (Paris)*¹

[C 15048/416/18]

PARIS, le 22 juillet 1921

Monsieur le Chargé d'Affaires,

Vous avez bien voulu, à la date du 16 juillet,² me faire part de l'inquiétude éprouvée par Lord Curzon à la lecture des informations de presse relatives aux discussions qui ont eu lieu récemment entre MM. Louis Loucheur et von Rathenau touchant une participation allemande à la reconstruction des zones dévastées de la France.

Permettez moi de vous exprimer tout d'abord la surprise qui j'ai éprouvée en prenant connaissance de cette communication. Nos Alliés n'ont pas cessé de nous signaler l'intérêt qu'ils verraient à ce que le Gouvernement français accepte l'aide allemande, main d'oeuvre et matériel, pour la restauration rapide des régions dévastées, dont la remise en état, qui est un devoir de justice primordial reconnu de tous, a toujours été représentée comme l'un des moyens les plus efficaces pour hâter le retour de la paix dans le monde.

¹ This Note was enclosed in Paris despatch No. 2117 of July 23, not printed.

² See No. 657.

Je ne m'arrêterai pas aux indications parues dans la presse, inexactes pour la plupart, mais je crois tout d'abord devoir rappeler que le Gouvernement français a avisé le Gouvernement britannique de l'ouverture des pourparlers, avant même la rencontre de MM. Loucheur et Rathenau.

Les représentants britanniques au Conseil Suprême ont eux-mêmes souvent insisté, comme je le rappelais plus haut, pour qu'un accord soit recherché entre la France et l'Allemagne pour les prestations en nature.³

C'est dans ces conditions, et pour répondre aux vœux de nos amis et Alliés, que le Gouvernement français n'a pas cru devoir refuser la demande d'une entrevue qui lui était adressée par le Gouvernement allemand et qu'il n'avait, en aucun façon, sollicitée ou provoquée.

Le Représentant français à cette réunion s'est refusé à laisser aborder, par son interlocuteur, des questions d'ordre général concernant tous les Alliés et il a, dès le début [*sic*] de l'entretien, déclaré à M. Rathenau que, le moment venu, nos Alliés seraient tenus au courant du détail des négociations et consultés si leur accord était reconnu nécessaire.

Les négociations n'ont, jusqu'à présent, pas abouti à un résultat positif. Leur évolution était cependant assez intéressante pour que, dès le mercredi 13 juillet — et le Gouvernement français croit devoir signaler particulièrement cette date — M. Loucheur priât MM. Mauclore et Delacroix, dans une entrevue qu'il avait avec eux, de provoquer son audition par la Commission des Réparations, pour mettre les Représentants des Puissances au courant des détails de ses entretiens avec M. Rathenau ou ses délégués.

Cette audition a eu lieu le 15 juillet. Dans la discussion officielle qui a suivi, le Représentant de Sa Majesté Britannique a fait certaines objections qui se trouvent reproduites dans la communication de l'Ambassade Britannique datée du 16 juillet, c'est-à-dire du lendemain.

Le Gouvernement de la République, rapprochant ces dates, est obligé de faire observer qu'il a fait cette communication de lui-même à la Commission des Réparations, organe compétent, et avant d'avoir reçu l'invitation qui lui en est faite par le Gouvernement de Sa Majesté.

A la fin de son audition, le 15 juillet, M. Loucheur a déclaré au représentant de la Grande Bretagne à la Commission des Réparations, Sir John Bradbury, qu'il me proposerait de reproduire, dans une communication détaillée au Gouvernement britannique et aux autres Gouvernements alliés, les explications qu'il venait de donner aux Membres de la Commission des Réparations. Le Gouvernement de Sa Majesté voudra bien les trouver dans le Mémoire ci-joint.

Je suis convaincu qu'elles seront de nature à apaiser les inquiétudes du Gouvernement anglais, et il va sans dire que, désirant mettre d'abord ses Alliés au courant, le Gouvernement de la République n'a encore pris aucun engagement définitif vis-à-vis du Gouvernement allemand.

Veuillez agréer, Monsieur le Chargé d'Affaires, l'assurance de ma haute considération et de mes sentiments dévoués.

A. BRIAND

³ See Vol. XV, Chap. III.

Projet de Mémoire aux Gouvernements Alliés

Au début du mois de juin 1921, M. Rathenau fit connaître, par l'entremise de l'Ambassade française à Berlin, son désir de se rencontrer avec M. Loucheur pour étudier la question de la coopération allemande à la restauration des régions dévastées de la France.

Le Gouvernement français ne crut pas pouvoir refuser cette entrevue.

Il y a lieu de rappeler à ce sujet que les déclarations du Docteur Simons pendant et après la Conférence de Londres du mois de mars 1921, et que le mémorandum allemand en date du 31 mars 1921 faisaient grief à la France de n'avoir pas admis le concours de l'Allemagne pour le relèvement de ses ruines, concours qui en réalité ne lui avait jamais été offert. Le jour où, pour la première fois, des propositions se précisaient, le Gouvernement français devait aux populations sinistrées, et à ses Alliés, de ne pas repousser par une fin de non recevoir l'offre du Gouvernement allemand qui, par l'acceptation de l'ultimatum, s'engageait à exécuter loyalement ses obligations.

L'entrevue projetée eut lieu à Wiesbaden le 12 juin.

M. Rathenau, au cours de ces entretiens, affirma le désir sincère du Gouvernement allemand de satisfaire aux conditions de l'ultimatum. Il déclara que l'Allemagne se trouverait devant des difficultés presque insurmontables si les Gouvernements alliés, et en particulier le Gouvernement français, n'admettaient pas en de fortes proportions le paiement au moyen de prestations en nature.

Il reconnaissait, toutefois, que les Puissances alliées n'avaient pas intérêt à réclamer de l'Allemagne des livraisons en nature si les conditions de paiement de ces livraisons n'étaient pas améliorées par exemple en reculant tout ou partie des paiements.

Il ne devrait pas s'agir d'un crédit de Gouvernement à Gouvernement, mais d'un crédit ouvert par une Société allemande de vente aux sociétés françaises acheteuses. L'idée parut réalisable et il fut convenu que des experts français et allemands se rencontreraient pour l'étudier et la mettre au point.

Les conversations engagées d'abord à Berlin se poursuivirent à Paris.

La marche de ces négociations a été telle que M. Loucheur a pu exposer, le 15 juillet, en séance privée, à la Commission des Réparations, la combinaison projetée qui n'a d'ailleurs pas encore reçu l'agrément des deux Gouvernements.

Cette combinaison ne concerne pas les prestations en nature spécifiées aux annexes V et VI à la partie VIII du Traité de Versailles, mais vise toutes autres livraisons qui pourraient être nécessaires tant à la reconstruction des régions dévastées qu'à la reprise de l'activité économique du pays.

La procédure instituée par l'annexe IV à la Partie VIII n'a pas donné les résultats qu'on pouvait espérer: elle tendait à interposer entre individus des organismes d'Etat irresponsables et désintéressés dont l'activité ne s'est traduite que par de longues formalités.

Le Gouvernement français et le Gouvernement allemand ont compris qu'il

fallait, pour développer les livraisons en nature, mettre en rapports directs les sinistrés français et les producteurs allemands.

La combinaison projetée tend à réaliser cette conception :

Une Société privée allemande livrerait aux sinistrés français le matériel ou les matériaux que ceux-ci leur demanderaient. Un crédit leur serait fait pour ces fournitures par la Société allemande. Son importance totale pour les trois premières années ne pourrait pas dépasser 9 milliards de marks-or, 35 % de la valeur des marchandises livrées seraient payés dans l'année de leur fourniture; le solde serait payé en 12 années après 1924, avec intérêt à 5 % l'an.

Toutefois, les sommes annuelles payées ainsi seraient limitées à un milliard de marks-or y compris la valeur des prestations prévues aux annexes V et VI du Traité.

Les sinistrés français pourraient se libérer à l'égard de la Société allemande avec les coupons de la part des bons émis par l'Allemagne et revenant à la France, en application de l'état des paiements. Ces moyens de paiements seraient procurés aux sinistrés par le Gouvernement français en échange de la cession qui lui serait faite de tout ou partie de leur droit à indemnité.

Le chiffre de 9 milliards envisagé pour le crédit indique un ordre de grandeur. Il ne peut être considéré que comme un maximum que [sic] ne sera vraisemblablement jamais atteint. Si le besoin de matériel et de matériaux, nécessaires à la reconstruction des régions dévastées, peut se chiffrer à un total approchant, la demande des sinistrés est, elle, absolument indéterminée. Le Gouvernement français doit, conformément à sa loi de dommages, indemniser les sinistrés en espèces et ne peut leur imposer le paiement en nature; le sinistré reste, à plus forte raison, libre de donner ou non sa clientèle à une Société française qui détiendra des produits allemands. L'utilisation du crédit consenti par la Société allemande dépendra donc uniquement du succès qu'obtiendront auprès des sinistrés les opérations commerciales de la Société française; on ne peut, même approximativement, escompter en valeur ces résultats.

Le Gouvernement français, bien que ne participant en aucune façon aux opérations de la Société française, ne peut s'en désintéresser. Il envisage même leur répercussion avec une certaine anxiété: l'introduction brusque sur le marché national d'une telle quantité de marchandises allemandes risque de bouleverser l'économie du pays; elle suscitera en tout cas une âpre concurrence aux industries et commerces nationaux. La nécessité où il se trouve de procéder le plus rapidement possible à la reconstruction des régions dévastées l'oblige à ne pas écarter une solution qui n'est pas sans danger; il a conscience, ce faisant, d'augmenter considérablement la capacité de paiement de l'Allemagne et de servir directement les intérêts de ses Alliés; l'Allemagne pourra réduire au minimum ses achats de devises étrangères; l'amélioration de son change en résultera: premier but à atteindre pour arriver à l'assainissement de ses finances.

La France ne s'assure aucune priorité: une Société allemande consent à une Société française un crédit déterminé, ce crédit ne bénéficiera pas au

Trésor français. C'est un crédit commercial qui permettra à une Société de s'adresser à une autre Société pour assurer entre elles d'importants échanges.

Au total, en se prêtant aux conversations de Wiesbaden et aux négociations qui ont suivi, le Gouvernement français n'a fait que rechercher le moyen pratique qui permettra à l'Allemagne de relever dans des délais admissibles les ruines dont elle a été la cause. S'il envisage une collaboration du Reich dans la reconstitution des régions dévastées, s'il admet l'introduction en masse sur son territoire des marchandises allemandes, c'est qu'il se voit devant une nécessité impérieuse et qu'il a la conviction la plus nette de faciliter en même temps, par cette méthode, la libération de l'Allemagne, non seulement à son égard, mais à l'égard de tous ses Alliés.

No. 660

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 25, 10.30 a.m.)

No. 520 Telegraphic: by bag [C 15032/416/18]

PARIS, July 24, 1921

My despatch No. 2117 of July 23rd.¹ Loucheur-Rathenau negotiations.

In spite of my having taken the precaution to mark my note of July 16th² to Monsieur Briand 'Confidential', full summaries of it and of French reply now appear in press here, with the usual result of provoking somewhat acid comment on the action of His Majesty's Government.

The French Government have likewise allowed press to get hold of recent correspondence regarding negotiations with Bekir Sami³ and meeting between General Harington⁴ and Mustapha Kemal⁵ (my notes were in both these cases marked 'Confidential'), not to mention immediate publication of every step in the discussions regarding Upper Silesia.⁶ It seems idle to expect them to respect the privacy of any correspondence between the two Governments.⁷

¹ See No. 657, n. 1.

² No. 657.

³ Bekir Sami Bey was head of the Turkish Nationalist (Angora) Delegation to the third London Conference, February–March, 1921.

⁴ General Officer Commanding in Chief the Army of the Black Sea, he assumed command of the allied troops at Constantinople in June, 1921.

⁵ Leader of the Turkish Nationalist movement.

⁶ See No. 247.

⁷ Sir E. Crowe minuted, July 25: 'Hopeless, I agree.'

No. 661

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received July 26, 10 a.m.)

No. 393 Telegraphic [C 15160/416/18]

BERLIN, July 25, 1921, 5.10 p.m.

I have had a long conversation with Doctor Rathenau today. He told me that he had seen with distress that some disquiet had been caused in the

English Press by his conversations with Loucheur and by the suspicion that an agreement detrimental to England might be come to. He desires me to state that there is no possibility of anything dis-advantageous to England resulting from these conversations. He is anxious at the earliest date to discuss arrangements of a similar nature with an English representative. This idea of an early discussion with an English representative has been in his mind for some time.

No. 662

*Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 26, 10.15 a.m.)*

No. 525 Telegraphic: by bag [C 15152/416/18]

PARIS, July 25, 1921

My telegram No. 520.¹

I used the opportunity offered by the paragraph in Your Lordship's telegram No. 418 of July 23rd² dealing with indiscretions of the French Press to remonstrate with M. Berthelot on the growing frequency with which the nature of the correspondence between our Governments had recently been made public.

M. Berthelot made a very lame defence. He actually insisted that the only publication he had authorised for some time was the communiqué given to the 'Temps' on July 16th on French policy in Upper Silesia (see my despatch No. 2050 of July 17th).³ For the numerous other cases where official correspondence of a confidential nature has been reproduced almost immediately, he said he could not be responsible. Press representatives penetrated everywhere now and it was useless to try to check their activities. All Governments had the same experience.

M. Berthelot evidently felt Your Lordship's remarks very keenly and was not in a position to answer them. I judged it best not to insist any further.

¹ No. 660.

² No. 247.

³ This despatch transmitted the text of the French Note published in *Le Temps* on July 17.

No. 663

*Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received August 3, 10 a.m.)*

No. 564 Telegraphic [C 15654/15264/18]

PARIS, August 2, 1921, 9.50 p.m.

In the course of conversation on current matters I told Political Director this afternoon that I had noticed that Monsieur Briand in his letter of August 1st (see my telegram No. 561)¹ had made no mention of sanctions as a proper subject for discussion at the Supreme Council.

¹ No. 287.

M. Peretti said at once that Monsieur Briand did not want to bring matter before the Council. The inevitable publicity involved in such a course would provoke considerable political difficulties for the President of the Council who thought that even in England there would be some opposition to complete removal of sanctions. On the other hand Monsieur Briand believed that reference of the subject to Committee of Guarantees would attain object in view without the disagreeable consequences to be feared from an official decision of the Council.

I am not in a position to judge whether alternative of reference to Committee of Guarantees can be regarded as desirable but French Government would certainly encounter strong opposition on the part of public opinion if they consented to withdrawal of sanctions at the present moment and they are apparently seeking a solution which would satisfy His Majesty's Government without endangering their own position in France.

No. 664

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 449 Telegraphic [C 15693/15264/18]

Urgent

FOREIGN OFFICE, August 3, 1921, 2.30 p.m.

My previous telegram No. 448.¹

M. Jaspar has again been to see me to press for a modification of plan agreed upon between us yesterday, and to urge that Silesian decision, even if not participated in by Belgium should be formally announced to her at Supreme Council as an interested party. I regretted I could not agree. He thereupon urged that arrangement proposed by me should be treated as a proposal made by British Government to French, and, if accepted by latter, as a joint proposal made by the two Powers to Belgium for settling the case. I said that this was precisely the light in which I regarded it and in which you would put it forward. He is terribly afraid of being thought to have taken the initiative, and of being in consequence reproached both in Belgium and France.

¹ In this telegram of August 3, Lord Curzon reported a meeting with M. Jaspar the previous day, when M. Jaspar, though recognizing that Belgium was not entitled to be present at the discussions on Silesia, had expressed the need for Belgium to be represented at the forthcoming meeting of the Supreme Council during the discussions on war criminals, German sanctions and Russian famine. Lord Curzon had suggested that M. Briand should issue an unqualified invitation to Belgium on the understanding that Belgium would not attend until the discussions on Silesia had been concluded. In his telegram No. 571 of August 4 Lord Hardinge reported: 'I saw Monsieur Briand this morning. . . . I impressed upon him the solution which you had proposed, explaining it in all its details. . . . President of the Council replied that in view of the fact that M. Jaspar had accepted your proposal, he gladly adheres to your views. . . .'

No. 665

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 450 Telegraphic [C 15654/15264/18]

FOREIGN OFFICE, August 3, 1921, 10 p.m.

Your telegrams Nos. 551,¹ 561² and 564³ (of July 30th and August 2nd: Agenda for Supreme Council).

Though they would not themselves have proposed discussion at Supreme Council of Russia and War Criminals, His Majesty's Government are ready, in deference to the suggestion of the French Government, to discuss both these questions. They also agree to the suggested exchange of views on the Graeco-Turkish situation several aspects of which may claim attention.

On the other hand His Majesty's Government must insist urgently on the necessity for discussing Sanctions. They do not consider reference to Committee of Guarantees would meet the case.

Further His Majesty's Government propose to invite Supreme Council to discuss the liquidation of the military, naval and aeronautical commissions of control, and to consider means of continuing adequate supervision after their withdrawal. There remain also for decision by Supreme Council minor but important points in regard to aeronautical control, viz. the framing of rules for distinguishing between civil and military aircraft (specifically referred to the Supreme Council by the Conference of Ambassadors), and the fixing of a date for the resumption of the manufacture of civil aircraft in Germany.⁴

To sum up, His Majesty's Government would propose that the agenda should be as follows:

1. Upper Silesia.
2. Sanctions.
3. War Criminals.
4. Commissions of control.
5. Aeronautical questions.
6. Graeco-Turkish situation.
7. Russia.

¹ No. 277.

² No. 287.

³ No. 663.

⁴ See Nos. 804, 810, and 815, below.

No. 666

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston

(Received August 5, 7.15 p.m.)

No. 576 Telegraphic [C 15853/15264/18]

Immediate

PARIS, August 5, 1921¹

My telegram No. 573.²

I saw Monsieur Briand this morning and he agrees to question of 'Sanctions' being included in the programme of Supreme Council, and he con-

¹ The time of despatch of this telegram is not recorded.

² Of August 4, not printed. Lord Hardinge reported that he had that morning communicated Lord Curzon's telegram No. 450 (No. 665) to M. Briand, who 'remarked that in view

siders question of control should be included as a development and not as a separate heading. He emphasized that by 'Sanctions' he implied economic and not military 'Sanctions'.

of public opinion in France, it is very desirable that question of Commissions of Control should not be mentioned separately but should be included as a development of question of "sanctions" '.

No. 667

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received August 5, 8.30 p.m.)

No. 577 Telegraphic [C 15854/15264/18]

Immediate

PARIS, August 5, 1921, 5.30 p.m.

Belgian Ambassador called upon me this morning and showed me a letter from his Government containing text of their proposed reply to French invitation to take part in the Supreme Council without reserve. After careful perusal I told him I could see no objection to it, but having shown it to Monsieur Briand, the latter made a slight modification. The text of reply of Belgian Government will now be as follows: 'The Belgian Government accept the invitation which the French Government have been so good as to address to them, in the name of the principal allied powers, to be present at the sittings of the Supreme Council. At the same time, in accordance with observations made to them, that terms of Article 88 of the Treaty of Versailles reserves to the principal allied and associated powers the right to decide upon results of plebiscite in Upper Silesia, they will abstain from participating in the labours of the Supreme Council until this question has been discussed.'

The Belgian Minister for Foreign Affairs gave at the same time an assurance that Belgian Government will do what they can to prevent Belgian press giving impression that British Government have opposed Belgian claim and they will state that initiative of the proposal emanates conjointly from England and France.

I told Belgian Ambassador that I thought you would approve of the text of the Belgian reply.¹

¹ In his telegram No. 461 to Paris, of August 6, Lord Curzon approved the text.

No. 668

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 460 Telegraphic [C 15853/15264/18]

Very urgent

FOREIGN OFFICE, August 6, 1921, 2.20 p.m.

Your telegram No. 576 (of August 5th:¹ agenda of Supreme Council).

Please inform Monsieur Briand at once that we could not possibly admit his implication that discussion on sanctions is to be limited to economic

¹ No. 666.

sanction (e.g. Rhineland customs) and to exclude military sanction (e.g. occupation of Dusseldorf).

It was made perfectly clear in Supreme Council on March 9th² that effect of sanctions was intended to be cumulative and Monsieur Briand himself insisted on this in his Note of May 14th (your despatch 1424 May 14th).³

The two sanctions therefore cannot be separated and must evidently be discussed together.

² See Vol. XV, No. 50.

³ Not printed. See No. 620, n. 4.

No. 669

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received August 9)

No. 2257 [C 16087/2740/18]

PARIS, August 6, 1921

My Lord:—

I have the honour to transmit herewith copy of a Memorandum submitted to me by Sir M. Cheetham reporting action taken at the French Ministry of Foreign Affairs in accordance with instructions contained in Your Lordship's despatch No. 2013 of July 22nd¹ last respecting the recent Franco-German negotiations for the modification of the system of licences in the occupied territory of Germany.

Attached to this Memorandum is copy of a note by Monsieur Seydoux² which is intended, in answer to the representations made by this Embassy, to explain and to justify the conduct of negotiations with Germany by the French Authorities in the Rhineland without previous consultation with their colleagues on the High Commission.

The British Delegation on the Reparations Commission has been provided with copies of the Enclosures in this despatch.

I have, &c.,

HARDINGE OF PENSHURST

ENCLOSURE I IN No. 669

Memorandum by Sir M. Cheetham

PARIS, August 4, 1921

On July 23rd last I received a despatch No. 2013 of July 22nd¹ from His Majesty's Principal Secretary of State for Foreign Affairs instructing me to endeavour to obtain from the French Government some explanation as to certain negotiations which had been conducted between French and German representatives in regard to a proposed modification of the system of licences in the occupied territory of Germany. I attach copy of Foreign Office

¹ Not printed.

² See No. 423, n. 4.

despatch³ in which are enclosed copy of a despatch from Mr. Robertson of July 15th⁴ as also of a note⁵ from the French Representative on the Rhineland Commission submitting to his colleagues the text of an agreement already concluded, for submission to the Rhineland High Commission, by the French representative on the one hand, and Messrs. Hirsch⁶ and Bergmann on the other.

At the moment of the receipt of this despatch negotiations with the French Government as to the holding of the Supreme Council were at a delicate stage, and the French Government and press had also shown considerable irritation at the attitude of His Majesty's Government with regard to the Loucheur-Rathenau negotiations.

In these circumstances I delayed action on Lord Curzon's instructions for several days and, in preference to an official note, made verbal representations to the Director of Political and Commercial Affairs. Monsieur Peretti said he was not very conversant with the question of licences in the occupied territory and in Germany generally, and therefore called in Monsieur Seydoux who took the leading part in the conversation. Monsieur Seydoux explained the systems of licences and the absolute necessity, as it appeared to the French Government, that they should be regulated. I confined myself to the argument that in the view of His Majesty's Government the question was one which clearly concerned all the Allied representatives on the Rhineland High Commission, and that it called for remark that negotiations such as had taken place should be conducted up to the point of a draft agreement containing a definite policy before the Rhineland High Commission as a whole were informed of the propositions to which their consent was asked. I said further that the text of the agreement seemed to show that something like a general control, up to a certain point, of German exports and imports was the object in view, and that a question of this importance might naturally have been the subject of a diplomatic exchange of views before even the Rhineland Commission was called upon to take action.

I then asked if Monsieur de Peretti [*sic*] could provide me with a memorandum on the subject of the licensing system in Germany and the Rhineland which would make clear to His Majesty's Government the reasons which justified the French authorities in initiating as they had done negotiations

³ i.e. No. 2013.

⁴ Not printed, see n. 5 below.

⁵ Not printed. In his despatch No. 302 of July 15, Mr. Robertson commented: 'As far as I am concerned I am not prepared, unless Your Lordship sees fit to instruct me in a different sense, to discuss or agree to any important modifications in our present arrangements for the carrying out of the "Sanction" which might give rise to the assumption that we acquiesced in its being indefinitely maintained. The draft agreement appears to me to be of this nature. It provides for the appointment of a German delegate on the Licensing Committee who shall place his visa on all licences at the same time as the representatives of the High Commission, the licences being then valid for the whole of Germany, and not only for the occupied territories as is now the case. It appears, moreover, that it is intended that a special mixed Commission shall be set up to deal with cases in which differences of opinion may have arisen. The whole proposed procedure is cumbrous and would prove unworkable in practice.'

⁶ State Secretary in the German Ministry of Economics.

with Germany before consulting their Allies. Monsieur Peretti took my remarks in good part and said that a note should be prepared.

Yesterday I received in answer to this request a memorandum unsigned, (but, as I am aware, written by Monsieur Seydoux), of which copy is attached.⁷

This document is not a convincing proof of the propriety of the French action of which we desire to complain. After referring to the fact that, on the seizure of the Rhineland Customs the Allied High Commissioners found it necessary to centralize the control of licences in occupied Germany, it proceeds to state that the German Commercial *régime* at that moment consisted of an almost complete interdiction of trade modified only by a system of licences for export and import the grant or refusal of which on the part of the constituted German Licencing [*sic*] Authority was purely arbitrary. Thus by giving or withholding licences for exportation from or importation into occupied territory the German Government were in a position largely to nullify the effect of the Customs Regulations established by the Interallied Control in that territory. The Interallied Commission had accordingly made it their object to put an end to German discrimination against Allied and especially French goods. This policy was carried out with fairness and its success was shown in an increase of customs receipts in the occupied territory. The German Government however were dissatisfied and refused to co-operate with the Allied Commission in maintaining that identical regulations as to the prohibition of entry of goods should be observed on both sides of the Rhine. The Allies on their part were unable to admit that the German Government should, under the cover of a system of licences, evade the dispositions of the Treaty of Peace. The last paragraphs of the memorandum are designed to show that discrimination by Germany against Allied products can only be stopped by a development of the present licencing [*sic*] system carried out in co-operation with the German Authorities and extended to the whole of Germany.

I have discussed the question of these Franco-German negotiations with Mr. Kemball Cook⁸ who told me that, though he had no exact information, there was some reason to believe that the German negotiators were not in entire agreement with the French representatives and that the agreement might not be carried through. The Foreign Office will at any rate, after examination of Monsieur Seydoux's communication, be able to judge whether we can usefully take further action here.

M. CHEETHAM

ENCLOSURE 2 IN No. 669

Aide-mémoire

PARIS, le 3 Août, 1921

Lorsque conformément aux décisions du Conseil Suprême, les hauts Commissaires alliés sur la Rive Gauche du Rhin ont établi le contrôle des recettes douanières, ils avaient en même temps dû mettre la main sur toute [*sic*] le système

⁷ Enclosure 2 below.

⁸ See No. 656, n. 3.

de délivrance des licences d'importation et d'exportation pour la rive gauche du Rhin, en avaient transporté l[e] service à Ems et l'avaient placé sous la contrôle d'un Comité interallié spécial. Ils avaient eu parfaitement raison et ne pouvaient faire autrement. Il ne faut pas oublier que le régime commercial allemand consiste dans une interdiction à peu près complète d'importer, et d'exporter. Sont libres à l'entrée et à la sortie quelques rares produits dont la liste varie d'ailleurs souvent et n'est en général portée au public que très tardivement. Tout le reste est défendu et n'entre ou ne sort que sur délivrance de licences par un Commissaire du Reich qui siège à Berlin; l'octroi des licences a lieu dans des conditions non spécifiées, inconnues, et contre lesquelles les Alliés et surtout les Français ont protesté bien souvent d'ailleurs sans succès.

Il eut suffi au Commissaire du Reich de supprimer toutes les licences à l'importation dans les pays rhénans pour voir tarir du même coup la source douanière. Il lui eut suffi également de supprimer les licences à l'exportation pour que les taxes à la sortie, qui rendent autant que les droits de douane et ne frappent que les seuls produits soumis à licences, ne pussent plus être perçues: la taxe de sortie est en effet fixée par le service qui délivre la licence et elle est inscrite au dos même de cette licence.

C'est pour les mêmes raisons que la Commission interalliée dût prendre en mains le monopole de l'alcool pour la rive gauche du Rhin: ce monopole percevait les droits de douane et les droits d'accise qui doivent rentrer dans les caisses des Alliés; malgré trois demandes successives, la direction du monopole refusa d'entrer en contact avec le service interallié et la Haute Commission fut obligée de se substituer à lui pour ne point perdre les importantes recettes qui provenaient du monopole des alcools.

L[a] Commission Interalliée a compris son rôle de la façon la plus équitable et la plus honnête. Elle n'a point fait entrer en Allemagne des quantités d'a[l]cool, de champagne et de bas de soie; elle s'est bornée à mettre fin au régime de boycottage et de discrimination que les Allemands faisaient subir aux produits alliés et notamment aux produits français; elle a exigé des autorités allemandes que les licences fussent délivrées honnêtement et qu'on ne vit plus les vins espagnols et les soieries suisses avoir libre accès en Allemagne pendant qu'aucun produit français de cette nature ne pouvait y pénétrer. Que les faits se soient passés de la sorte, les recettes mêmes en sont la preuve: du 8 au 31 mars, les taxes douanières rapportèrent 69,700,000 marks papier environ, soit une moyenne pour tout le mois de 85 millions. Au mois d'avril, la recette fut de 84 millions: il ne s'agit ici que de la frontière extérieure puisque la ligne douanière du Rhin ne fut équipée qu'à la fin d'avril et ne commença ses recettes que pendant le mois de mai. En mai les recettes n'ont été que de 74 millions: tout le monde en Allemagne attendait la levée des sanctions et les demandes de licences et les importations ont été de ce fait bien moindre. Mais au mois de juin vive reprise et les recettes montant à 110 millions de marks papier dont on peut compter 20 millions environ pour la ligne du Rhin. De pareils chiffres ne montrent pas une perturbation extraordinaire dans le régime commercial de la région rhénane;

ils prouvent que les produits de luxe ne sont pas entrés en quantités très considérables car les taxes qui les frappent sont extrêmement élevées (100% et plus) et les recettes auraient été beaucoup plus fortes qu'elles ne le furent en réalité.

On comprend néanmoins que le Gouvernement allemand proteste contre cet état de choses, auquel il a d'ailleurs refusé de participer: on comprend qu'il désir[e] que tout se passe sur la rive gauche du Rhin suivant les mêmes règles et les mêmes normes que sur la rive droite; que s'il place tel article sur la liste libre, il soit considéré comme libre aussi bien à l'ouest qu'à l'est du Rhin, que s'il en interdit l'entrée cette interdiction porte sur tout le Reich et non point sur une partie seulement. Mais les Alliés ne peuvent de leur côté admettre que le Gouvernement allemand, à l'abri de son système de licences, continue à se jouer des dispositions du Traité de Paix.

Le Traité (article 264 à 267) établit l'égalité de régime pour tous les Alliés en Allemagne et interdit formellement à celle-ci de procéder à des discriminations. Or, tout le mécanisme du commerce allemand est recouvert d'un épais voile d'interdictions au travers duquel on ne voit pas et contre lequel on ne peut rien, car aucune clause n'empêche l'Allemagne d'interdire l'entrée ou la sortie de tel ou tel produit. Grâce au contrôle exercé sur la délivrance des licences de la rive gauche du Rhin, les Alliés ont soulevé un coin du voile et voient clair; ils ont un regard sur ce qui se passe dans l'économie nationale du Reich; il faut qu'il[s] le conservent jusqu'au jour où les relations commerciales avec l'Allemagne seront établies sur de telles bases qu'il ne puisse être question de discriminations, de boycottage, etc. . . .⁹

Il semble donc que la solution naturelle serait que les organes de la Haute Commission conservassent leur contrôle mais que les fonctionnaires allemands pussent collaborer avec eux, de manière à bien établir que s'il n'y a aucune fraude dans l'esprit des Alliés, il n'y en a pas non plus dans celui des Allemands.

Le Délégué français à la H.C.I.T.R.¹⁰ a saisi ses collègues de propositions dans ce sens, élaborées d'accord avec les représentants du Gouvernement allemand.

⁹ The punctuation is here printed as in the original.

¹⁰ La Haute-Commission Interalliée des Territoires Rhénans.

CHAPTER VI

Reparation by Germany: Removal of Economic Sanctions and the Establishment of an Allied Licensing Committee August 13–December 31, 1921

No. 670

*The Marquess Curzon of Kedleston (Paris)*¹ to Sir E. Crowe
(Received August 14, 9 a.m.)

No. 602 Telegraphic [C 16354/15264/18]

Very urgent

PARIS, August 13, 1921, 11.6 p.m.

Following for Cabinet:—

Supreme Council decided this afternoon that customs sanction in Rhineland should be abolished as from September 15th subject to following conditions.²

1. Germany to pay reparations account full sum due on August 31st.

2. Acceptance by Germany of an inter-allied organisation to collaborate with German authorities in controlling licensing of goods to and from occupied territory with a view to ensuring that German system of import and export prohibitions does not in practice violate articles 264 and 276 of treaty so far as occupied territory is concerned.

3. Recognition by German Government of validity of acts done under customs sanction and guarantee for protection of all persons against legal or administrative consequences. It was decided to confer power on Rhineland Commission to take all necessary measures during transition period. Precise form of organisation mentioned under paragraph 2 above was referred to Committee of allied experts to meet German experts at Coblenz as soon as possible and to submit recommendation to Governments concerned before September 1st. Ends.²

¹ Lord Curzon was attending the Third Conference of Paris, August 8–13.

² See Vol. XV, No. 104, minute 5, and Appendix 8.

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received August 16, 10.15 p.m.)

No. 418 Telegraphic [C 16527/92/18]

BERLIN, August 16, 1921, 1.50 p.m.

I had long conversation with Minister for Foreign Affairs yesterday morning.

Although he complained of great loss to Germany and to Upper Silesia involved in postponement of Upper Silesian decision, it is easy to see that German Government is in reality gratified by results attained in Paris and is particularly grateful for fair attitude adopted by England. Minister for Foreign Affairs said that his own position in Cabinet and that of those who advocated reliance on England as the only policy had been immensely strengthened by Paris conference.

As regards order in Upper Silesia Minister for Foreign Affairs said that he had no special reason for preoccupation. German Government was doing everything it could to keep German section quiet and would continue to do so. They were sending a new German Minister to Warsaw, Herr von Schoen, and had given him instructions to observe friendly attitude and to listen to any proposals which might be made from Polish side for improved commercial relations between the two countries.

German Government would also be ready to agree to very favourable terms for Poland regarding produce of industrial section of Upper Silesia if awarded to Germany.

Regarding removal of sanctions Doctor Rosen expressed apprehension at alleged fact that French agreement to withdrawal of Rhine customs barrier was dependent on free entry into Germany of French wines, spirits and luxuries. I pointed out to him that (? latter's) documents did not stipulate anything of the kind and on reference to documents he agreed that his apprehensions on this score had perhaps been premature: there were, however, great many conditions attached to French withdrawal of customs barrier and these would diminish good effect in Germany.

With regard to withdrawal of troops of occupation from Dusseldorf, Duisburg and Ruhrort, I drew his attention to Lord Curzon's speech on Saturday¹ which appeared to have been insufficiently reported in German press.

Doctor Rosen replied, 'French will never agree to withdrawal of these troops of occupation, what they want is German territory and they will never be satisfied till they get it. That is French policy today as it was under Louis X[?I]V.'

He did not believe it would be possible for Monsieur Briand to withdraw French troops even if personally convinced such a step was desirable.

Discussing a possible change of Government in France Doctor Rosen said, 'to us it is a matter of indifference whether Monsieur Briand stands or falls.'

¹ See Vol. XV, No. 104, pp. 741 ff., for Lord Curzon's speech on August 13 at the meeting of the Supreme Council in Paris.

There is no good in Monsieur Briand's words accompanied by Monsieur Poincaré's acts. Even if Monsieur Briand was succeeded by the devil I would just as soon take the chance. We have a German saying, "a sharp frost does not last long", and I do not think that a Poincaré or Barthou Ministry could last many months.'

He concluded by urging that Commissions of Control should be withdrawn at the earliest date. Constant incidents between foreign officers and German population were occurring and were almost certain to continue to occur. Presence of foreign officers in large numbers was galling to German feeling: German Government and German people were deeply grateful to Prime Minister for his speech on this subject at Paris Conference.²

² See Vol. XV, No. 95, p. 669.

No. 672

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received August 17, 7.20 p.m.)

No. 615 Telegraphic by telephone [C 16574/2740/18]

PARIS, August 17, 1921, 7.20 p.m.

On August 14th I addressed a letter to M. Briand, expressing Your Lordship's surprise at French Minister of Finance having signed financial agreement¹ with a reservation that it must first be approved by the Council of Ministers, and urging that as the Chancellor of the Exchequer must disclose the agreement in the House of Commons before Parliament rises this week, no further objection should be made by the French Government to full acceptance.

Reply just received from M. Berthelot is as follows:—

'I have only this morning been able to get in contact with M. Briand who was not in Paris. He informs me that the Council of Ministers alone can give a definite opinion on the financial scheme. Most of the Ministers are absent, M. Briand himself is resting in the country, and some days will be needed to assemble the Council. M. Briand will do this as soon as possible. To-day I can only indicate to you personally what I know about this question: Minister of Finance was not to take any resolution except *ad referendum*. I myself heard M. Briand say this in clearest manner to Belgian Minister of Finance. You doubtless know that the resolutions¹ of the Financial Commission which were brought to my knowledge yesterday evening, include decisions affecting the precise powers of the Reparations Commission as defined by the Treaty, and this compels the French Government to examine them very closely.'

Copy of letter by bag to-night.²

¹ The reference is to the agreements reached on August 13 at the Inter-Allied Conference of Finance Ministers at Paris; see *Documents . . . réparations*, No. 17, pp. 164-70.

² Enclosed in Paris despatch No. 2337 of August 17, not printed.

No. 673

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received August 20, 9.10 p.m.)

No. 422 Telegraphic [C 16727/2740/18]

BERLIN, August 20, 1921, 1.25 p.m.

Evidence is accumulating to show that policy of carrying out ultimatum is being adopted by increasing sections of political opinion.

Interesting proof was forthcoming this morning when I received a long visit from Dr. Hoetzsch, a professor of university and most influential intellectual leader of parties of right.

Hoetzsch said quite frankly that although his party had voted against acceptance of ultimatum they were now in favour of every endeavour being made to carry it out. He could not pledge himself to vote for individual measures of taxation but his strong impression was that after a good deal of parliamentary fighting Government would succeed in passing greater part of their financial programme. As far as his people were concerned they were certainly not inclined to force an election although they would resist undue burdening of capital.

He agreed that since date of acceptance of ultimatum three months ago public opinion had come round towards acceptance and execution in a marked degree.

Fact of Hoetzsch's visit and statements made by him appear to me to possess considerable significance.

It is desirable to regard visit as confidential.

No. 674

Mr. Robertson (Coblenz) to the Marquess Curzon of Kedleston
(Received August 22, 9.35 p.m.)

No. 88 Telegraphic [C 16861/15264/18]

COBLENZ, August 22, 1921, 5.35 p.m.

German commissioner informs me that German Government are in some doubt as to precise meaning of condition 'A' attached to Supreme Council's decision to abolish customs sanction.¹ There seems to be doubt in minds of my colleagues also.

Effect of condition, as I read it, will be to discriminate in favour of firms established in occupied territory and also in favour of goods imported over western frontier. Moreover to ensure that there is no discrimination contrary to the treaty of peace it would seem necessary for committee to examine working of licensing system over all frontiers.

¹ The resolutions of the Supreme Council (see Vol. XV, Chap. VI) had been communicated by M. Briand in a Note of August 14, not printed, to the German Chargé d'Affaires at Paris.

German Government seem to be in doubt whether they must accept the condition prior to meeting of committee of experts provided for in paragraph 4 of decision.¹

I . . .² German Government are contemplating abolishing licensing system altogether which would be by far the best solution but it seems unlikely that they will be able to make up their minds to anything in time for sanction to be abolished on September 15th.

I trust that Your Lordship will furnish Mr. Wills with precise instructions.³
Repeated to Paris No. 20.

¹ The text is here uncertain.

² In a minute of August 23, Mr. Waterlow stated that Mr. Wills, of the Board of Trade, who was going out on August 24 as the British member of an expert committee, had instructions 'to do his best to *saboter* [*sic*] the whole thing', that is to say an allied body to control licensing. He added: 'If, owing to the opposition of the British expert, agreement as to the nature and functions of the allied licensing body is impossible, will not the French say that one of the conditions prior to the removal of the customs sanction has not been fulfilled? I foresaw that danger when I drafted the resolution of the Supreme Council in Paris, but I thought it better to accept it than that the last moments of the Supreme Council should be embittered and confused by controversy. Our reply should, I think, be that, if the Germans accept in principle an inter-allied organisation, that is all that is necessary for the removal of the customs sanction.' Lord Curzon added on August 24: 'As Mr. Waterlow knows I was nervous about these conditions at the time and am nervous still.'

No. 675

Mr. Robertson (Coblentz) to the Marquess Curzon of Kedleston
(Received August 25, 2 p.m.)

No. 90 *Telegraphic* [C 17037/15264/18]

COBLENZ, August 24, 1921, 12.8 p.m.

Cologne Chamber of Commerce on August 22nd gave unanimous decision against the acceptance of allied note on sanctions¹ on the following grounds.

(1). Acceptance of conditions would create a right which did not exist before and was not contained in the Treaty of Versailles.

(2). It would inflict incalculable injury on German trade in general.

(3). Control of licences would impose a very injurious obligation on German authorities.

(4). The English representatives at Supreme Council are reported to be against the acceptance of conditions of note as now existing.

Answer to number one is that according to French, Germans have violated the Treaty of Versailles by using licensing system to discriminate against allied trade.

Answer to two and three is that continuance of sanctions could (? probably) do more injury to German trade and German authorities than supervision of issue of licences.

Number four does not appear to be in accordance with facts.²

¹ See No. 674, n. 1.

² See No. 674, n. 3.

Industrial circles in Cologne seem desirous to convince us that Germany will be compelled to purchase luxury products against her will and that she will then not be in a position to trade with England and United States for raw material etc. which she requires. I do not think much attention need be paid to this argument which is purposely exaggerated.

The same industrial circles apparently feel that it would be better to endure continuance of sanctions and trust to English support for their speedy removal.

I think it important that strong representations should be made at Berlin with a view to removing misunderstanding with regard to British attitude.

Repeated to Paris No. 21. Berlin No. 7.

No. 676

The Marquess Curzon of Kedleston to Mr. Robertson (Coblenz)

No. 73 Telegraphic [C 16861/15264/18]

FOREIGN OFFICE, August 25, 1921, 3.50 p.m.

Your telegram No. 88¹ (of August 22nd. Customs sanction).

If the Germans accept in principle *an* inter-allied organisation,² that is all that is necessary for the removal of the customs sanction. Should the allies prove unable to agree among themselves as to the nature of that organisation, so that its establishment is indefinitely postponed, that is solely their affair and does not concern the German Government.

In these circumstances you are authorised to suggest to the German Commissioner that the German Government will be well advised to accept the condition in principle.

Repeated to Paris by bag.

¹ No. 674.

² At the Supreme Council the French had accepted the British view that the control of import and export licences should not be entrusted to the Rhineland High Commission. (See Vol. XV, No. 104, pp. 740 ff.)

No. 677

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received August 26, 2.45 p.m.)

No. 431 Telegraphic [C 17070/416/18]

BERLIN, August 25, 1921, 5.30 p.m.

Rathenau who leaves for Wiesbaden to-night came to see me yesterday. He stated that his negotiations with Loucheur were *ad referendum* and subject to ratification.

Any agreement come to would have to be approved by Reparation Commission.

German Government could not negotiate except with this specific and formal reserve.

(? Scheme) under discussion is I understand to (? constitute) semi-private German company which will deliver building material to a semi-private French company which will receive it and will credit Germany for its value in Reparation Account. There is some idea of offering Doctor Simons directorship of German company but no definite decision has been come to.

Rathenau again repeated what he has stated on several previous occasions that there could be no possible cause for umbrage to English interests in these negotiations since they were subject to ratification by Berlin Reparation Commission. Further German Government were most anxious to conclude with England analagous arrangements for payment of reparation without (? disturbance) of exchange market. He had several schemes in contemplation to this end. He informed me in strict confidence that he had met with some opposition here from certain political leaders—notably from Stresemann who had warned him against doing anything with France which might conceivably displease England. This evolution of Volkspartei (? and this) solicitude for England in party previously most hostile to us is not without interest. I told Doctor Rathenau I had no instructions on the subject but as far as my personal views were concerned I hoped that his negotiations would (? lead to) (? agreement). Deliveries in kind were obviously essential to easy fulfilment by Germany of ultimatum payments. Matter had to come before Reparation Commission for approval and adjustments to equalize (? Government) with other credits could then be made. It was essential for all parties to facilitate payment by Germany as far as might be possible in such a manner as to avoid further fall in valuta. Such a fall would be conducive to undue competition by Germany in neutral and other markets and so constitute grave potential source of friction and difficulty.

Repeated to Paris.

No. 678

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received August 26, 10.30 a.m.)

No. 432 Telegraphic [C 17052/15264/18]

BERLIN, August 25, 1921, 5.30 p.m.

Mr. Robertson's telegram No. (? 190 sic).¹

I agree that the attitude of Cologne Chamber of Commerce is unwise. I have already spoken to the Minister for Foreign Affairs on the dangers of narrow or contentious attitude on a point where Germany's wishes have been so largely met.

On the receipt of instructions from your Lordship I will make further representations of a more formal nature.²

Repeated to Coblenz.

¹ The reference is to Coblenz telegram No. 90 (No. 675).

² Instructions to Lord D'Abernon (to explain the situation to the German Government in the sense of telegram No. 73 to Coblenz) were drafted in the Foreign Office, but were not sent as the German Government replied to M. Briand's Note of August 14 (see No. 674, n. 1) in a Note dated August 26. See No. 680, below.

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received August 29, 10.45 a.m.)

No. 437 Telegraphic [C 17158/416/18]

BERLIN, August 28, 1921, 9 p.m.

Assassination of Erzberger¹ has caused a violent storm in press of Left, which accuses Right and particularly certain leaders of Right, with being ultimate, if not immediate, cause of the crime. Government is urged to take strongest measures to secure the country against any recurrence of such disgraceful lawlessness, which imperils Germany's position in the eyes of the civilised world.

Immediate political consequences of the act cannot be foreseen.

On the one hand, Government have lost the source of their essential inspiration. Acceptance of ultimatum, and still more taxation programme, were currently attributed to Erzberger's prompting. Government's programme was thought, rightly or wrongly, to be above Wirth's unassisted capacity, and was ascribed in main to stimulation and encouragement by Erzberger. On the other hand, with death of Erzberger, Government get rid of a good deal of unpopularity, and horror at so deliberate a crime must cause a certain reaction in their favour. In a General Election, which is increasingly possible, they would enjoy enhanced prospects.

Erzberger's real value may be variously estimated. He was aggressive, ingenious, bold almost to recklessness and an indefatigable worker. Against these qualities may be set an egregious vanity, a thirst for limelight and a total lack of both moral scruples and reserve. His book of war recollections, although it contains remarkable revelations and shows Erzberger to have been energetic centre of German war propaganda, is poorly written. What it proves most clearly is his unbounded devotion to interests of Vatican and his religious zeal.

To me these feelings seem to have been real and genuine, but his enemies assert that they were assumed, and served only as a cloak to a pronounced capacity for enjoying life.

Assassins have not yet been arrested, notwithstanding offer of a reward of 100,000 M.

¹ He was shot by two assassins on August 21 at Bad Griesbach; cf. D'Abernon, vol. i, p. 170.

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received August 30)

No. 2440 [C 17240/15264/18]

PARIS, August 29, 1921

My Lord,

I have the honour to transmit herewith copy of a note which I have received from the Ministry for Foreign Affairs, enclosing the reply of the German Government to the decision of the Supreme Council of the 13th August last regarding the removal of the economic sanctions. A copy of the note by which this decision was communicated to the German delegation was enclosed in my despatch No. 2376 of the 24th August.¹

From the penultimate paragraph of the French note it is clear that the French Government do not regard the German note as an unreserved acceptance of the Allied decisions, and that they are somewhat uneasy regarding the ambiguity of its terms.

I have noted the views of His Majesty's Government as expressed in your Lordship's telegram No. 88 [sic]² to His Majesty's High Commissioner at Coblenz, but I think the French Government would argue that the question whether the German reply constitutes an adequate acceptance of the Allied conditions is one which must be answered to the satisfaction of all the Allies before the economic sanctions can be withdrawn. If the matter were allowed to drift in its present condition until the 15th September, the French Government would almost certainly oppose the removal of the sanctions, on the ground that the Allied demands had not been fully complied with.

I presume the reply to the German note will eventually be drafted in Paris by representatives of the Secretariat-General and of the other delegations, and I would therefore be glad to receive from your Lordship very early instructions as to the form which, in the opinion of His Majesty's Government, this reply should take.

A copy of this despatch is being sent to His Majesty's High Commissioner at Coblenz.

I have, &c.,

HARDINGE OF PENSHURST

ENCLOSURE I IN No. 680

Note from the French Ministry of Foreign Affairs to Lord Hardinge

M. l'Ambassadeur,

PARIS, le 28 août 1921

J'ai l'honneur de vous faire tenir ci-joint copie de la lettre par laquelle le Chargé d'Affaires d'Allemagne m'adresse la réponse de son Gouvernement à la communication du Conseil Suprême en date du 14 août,³ sur la suppression des sanctions économiques.

¹ Not printed. See No. 674, n. 1.

² The reference is presumably to Foreign Office telegram No. 73 (No. 676).

³ Not printed. See No. 674, n. 1.

Je réponds à M. von Hoesch que je transmets cette lettre aux Gouvernements alliés qui se concerteront sur les termes de la réponse qui doit lui être faite.

J'estime, en effet, que, la note du Gouvernement allemand ne constituant pas l'acceptation pure et simple que les Puissances alliées étaient en droit d'attendre, il convient de l'étudier soigneusement avant d'arrêter les termes de la réponse des Gouvernements alliés.

Je vous serais obligé de faire part au Gouvernement britannique de la manière de voir du Gouvernement de la République.

Veuillez agréer, &c.,

(Pour le Président du Conseil, Ministre des
Affaires étrangères),

E. DE PERRETTI DE LA ROCCA

*Ministre plénipotentiaire, Directeur des
Affaires politiques et commerciales*

ENCLOSURE 2 IN No. 680

Note from the German Chargé d'Affaires (Paris) to M. Briand

Traduction

PARIS, le 26 août, 1921

M. le Président,

Par sa lettre en date du 14 août dernier,⁴ votre Excellence a bien voulu me faire connaître, au nom des Gouvernements alliés représentés au Conseil Suprême, la résolution adoptée par le Conseil Suprême le 14 août dernier au sujet de la suppression d'une partie des sanctions, résolution qui portera effet à compter du 15 septembre, 1921. Au nom de mon Gouvernement, j'ai l'honneur de répondre à votre Excellence, en sa qualité de Président du Conseil Suprême lors de sa dernière réunion, ce qui suit:

Le Gouvernement allemand avait protesté dans le temps contre les sanctions décrétées comme étant une mesure incompatible avec le Traité de Versailles et le droit des gens. L'ultimatum ayant été accepté du côté allemand et tous les délais de paiement échus jusqu'ici ayant été observés ponctuellement, le Gouvernement allemand se croyait en droit d'attendre avec certitude que les sanctions seraient rapportées bientôt intégralement. Il regrette profondément que les Gouvernements alliés n'aient pu se décider à prendre cette résolution. Le Gouvernement allemand se voit dans la nécessité de rejeter le reproche qui lui a été fait de ce qu'il aurait, contrairement aux prescriptions des articles 264-267, soumis à un traitement plus favorable des ressortissants ou des marchandises de l'une quelconque des Puissances alliées que celui auquel sont soumis les ressortissants ou les marchandises d'un autre pays en ce qui concerne l'application du régime allemand des importations et des exportations. Cette affirmation ne peut se baser que sur des méprises occasionnelles de services de second ordre.

Le Gouvernement allemand est fermement résolu à remplir les engagements pris dans les articles 264-267 tout aussi bien dans le territoire occupé

⁴ See n. 3.

que dans le territoire non occupé de l'Allemagne. Cependant, il se voit obligé de faire remarquer que ni le Traité de Versailles, ni l'arrangement concernant l'occupation militaire des territoires rhénans ne confère aux Puissances alliées ou aux États intéressés à l'occupation des territoires rhénans un droit de contrôle quant au territoire occupé concernant l'observation de ces stipulations. Toutefois, pour convaincre les Gouvernements alliés de l'application loyale des règlements allemands des importations et des exportations, le Gouvernement allemand veut bien se déclarer d'accord avec la création de l'organe prévu au chiffre 2 (a) de la lettre de votre Excellence. Mais il lie ce consentement à la présomption que l'organe allié s'abstiendra dans son activité, limitée au territoire occupé, de toute intervention dans le pouvoir exécutif allemand. Le Gouvernement allemand estime que la question ne pourra être réglée que sous la forme d'une entente bilatérale entre le Gouvernement allemand et les Gouvernements des pays alliés intéressés. Conséquemment, l'application dans le territoire occupé du règlement à convenir reviendrait au Gouvernement allemand en sorte qu'une ordonnance de la Haute-Commission interalliée n'entrerait pas en question. La Haute-Commission ne serait, d'ailleurs, pas fondée à édicter une telle ordonnance, vu que l'article 3 de l'Arrangement concernant l'Occupation militaire des Territoires rhénans ne lui confère que le pouvoir d'édicter des ordonnances dans la mesure qui sera nécessaire pour assurer l'entretien, la sécurité et les besoins des forces militaires des Puissances alliées et associées. Une extension de ces pouvoirs par une résolution unilatérale du Conseil Suprême n'est prévue ni dans l'Arrangement concernant l'Occupation des Territoires rhénans ni dans le Traité de Paix. Le Gouvernement allemand est d'avis que la mission essentielle de l'organe interallié consiste à pouvoir élucider ou aplanir le plus tôt possible les réclamations des ressortissants des Puissances alliées concernant l'application par les autorités allemandes au territoire occupé des licences d'exportation et d'importation. Il espère que les délégués des deux parties réussiront, lors des négociations envisagées pour Coblençe, à trouver une forme de l'organe allié qui lui serait acceptable. Le Gouvernement allemand pourrait s'accommoder plus facilement avec l'institution envisagée si d'emblée un terme fixe était établi pour l'activité de celle-ci.

Tout en maintenant en principe sa manière de voir en ce qui concerne l'inadmissibilité des sanctions au point de vue juridique, le Gouvernement allemand ne veut faire aucune objection concernant la validité de tous actes accomplis pendant la durée des sanctions en vertu des ordonnances prises par la Haute-Commission interalliée en exécution des décisions de la Conférence de Londres de mars 1921.⁵ Il veut renoncer également à toutes mesures judiciaires et administratives à l'égard des auteurs de tels actes. Mais il s'attend à ce que dans la période de transition, jusqu'au 15 septembre de cette année, aucune licence d'exportation ou d'importation, valable pour des pays étrangers et dépassant les besoins actuels des territoires occupés, ne soit délivrée, et que le décret des stipulations de transition, prévues au chiffre

⁵ See Vol. XV, Chap. II, Nos. 46-47.

3 de la note de votre Excellence, tienne compte dans la plus large mesure possible de la protection de la vie économique allemande et des finances allemandes; en ceci les Puissances alliées serviraient en même temps la capacité de réparation de l'Allemagne et par là leurs propres intérêts.

Le Gouvernement allemand a l'honneur d'informer votre Excellence que M. von Mutius, Ministre plénipotentiaire, a été chargé de ces négociations du côté allemand. Il exprime enfin de nouveau le ferme espoir que les sanctions militaires soient également supprimées sans retard et que les territoires dernièrement occupés soient délivrés bientôt de la lourde charge de l'occupation et du régime militaire.

Veuillez agréer, &c.,
VON HOESCH

No. 681

*Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received September 1)*

No. 659 Telegraphic: by post [C 17365/416/18]

PARIS, August 30, 1921

The Loucheur-Rathenau agreement¹ is well received generally. The moral drawn is that when France negotiates direct with Germany, without the 'assistance' of her allies, she obtains substantial advantages and thoroughly workable arrangements; when she tries to get any important matter affecting her relations with Germany settled in concert with her Allies in a Supreme Council or a Financial Conference, she is flouted (as in the Upper Silesian question) or done out of what is due to her (as in the financial agreement of August 13). On the other hand it is urged that the Allies cannot possibly object to an arrangement which enables France to rebuild her ruins promptly and by providing an outlet for German trade eliminates to some extent a dangerous competitor in their own markets. Public opinion is also coming to realise that the success of the arrangement depends entirely on the Wirth Government remaining in power and putting through its financial programme; but this evolution is still beset with much difficulty, as it involves abandoning the hitherto popular idea that nothing can be got out of Germany except by threats and force. Thus Erzberger's murder and the leniency of the German Courts towards the persons guilty of 315 similar crimes in the past two years are interpreted as convincing proof that the existing Government is too fragile and powerless to justify the 'British policy' of leniency, which directly encourages the pan-Germanists to believe they can pursue their schemes for a war of revenge with impunity.

¹ Of August 27, a provisional agreement later concluded at Wiesbaden. See No. 711, n. 1, below.

No. 682

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received August 30, 10.50 p.m.)

No. 660 Telegraphic [C 17290/15264/18]

Immediate

PARIS, August 30, 1921, 8.20 p.m.

Coblenz telegram No. 96¹ and my despatch 2440.²

Secretary General suggested that instead of German note regarding Sanctions being dealt with here, the matter might be referred to High Commissioners at Coblenz who could draft a reply and submit it to their respective Governments for approval.

Do you concur and if so could you instruct Mr. Robertson accordingly.

Repeated to Coblenz.

¹ In this telegram of August 29, Mr. Robertson stated: 'I should be glad to know if the allied Governments accept German note in regard to sanctions and whether negotiations can now proceed with German representative on basis of that note.'

² No. 680.

No. 683

Mr. Robertson (Coblenz) to the Marquess Curzon of Kedleston
(Received August 31, 7.45 p.m.)

No. 97 Telegraphic [C 17329/15264/18]

Most urgent

COBLENZ, August 31, 1921, 12 noon

Paris telegram No. 660.¹

I would venture to point out this procedure would lead to still further revivals [*sic*]. Question as to whether German note is satisfactory appears to me to be one for allied Governments to decide. Meanwhile committee of experts here cannot meet Germans, and there is little prospect of settlement being reached before September 15th, when sanctions should be abolished.

Local French contention is that allied organization should actually stamp licenses [*sic*]. My view is that they should merely have power to watch issue of licenses [*sic*] by Germans, but that latter should have sole executive power.

Number 25 to Paris.

¹ No. 682.

No. 684

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 497 Telegraphic [C 17564/2740/18]

FOREIGN OFFICE, September 1, 1921

Please make following communication to the French Government as matter of urgency:—

'His Majesty's Government is anxious to learn at the earliest possible moment that the French Government have ratified the Paris Agreements of

the 13th August,¹ signed by the French Minister of Finance. Some considerable time has now elapsed since the signature of these agreements, to which the other principal Allies concerned gave their immediate adherence, and it is necessary to make the arrangements consequent on the agreements with the least possible delay. It was the understanding of His Majesty's Government that all the Ministers attending the conference were empowered to act for their Governments, as was the case with their own representative. In any case, the conference took place in Paris, and the members of the French Government were readily available if it had been necessary for the French Finance Minister to consult his colleagues. His Majesty's Government therefore hope that they may be informed forthwith that the French Government have ratified the Agreements.'

¹ See No. 670.

No. 685

The Marquess Curzon of Kedleston to Mr. Robertson (Coblentz)

No. 75 Telegraphic [C 17329/15264/18]

Urgent

FOREIGN OFFICE, *September 1, 1921, 9.45 p.m.*

Your telegram No. 97¹ (of August 31st. Customs sanction).

I do not understand your objection to the procedure proposed by the French Government. My view of the German reply, from which I have no reason to expect that the French Government will dissent, is that it can be accepted as justifying removal of the Customs sanction, subject to the clearing up of a few points of detail, some of them apparently misunderstandings, by verbal discussion with German representatives. There is no reason why this discussion should not take place at Coblentz, where allied High Commissioners are fully competent to conduct it.

You should act with your colleagues accordingly.

Following observations on the German reply may be useful for your guidance.

(1) German note accepts principle of interallied organisation to co-operate in preventing discrimination against allied trade. It makes reservation to safeguard interference with German executive power, and protests against High Commission having anything to do with the matter. The reservation should be easily met by suitable formula. The protest raises no controversy. Words '*an* interallied organisation' in resolution of Supreme Council were designed to exclude High Commission.

(2) Validity of acts done under the sanctions seems to be unequivocally recognised.

(3) Power of High Commission to take necessary measures during transition period. This again is accepted by German Government but somewhat

¹ No. 683.

vaguely, and with an unfortunate attempt to define the transition period as ending on September 15th. That attempt is apparently based on misapprehension, and there seems nothing here to prevent agreement.

I rely upon you to obtain concurrence of your colleagues in recommending acceptance of German note as justifying immediate removal of Customs sanction. There should be no obstacle to this, if you can obtain satisfactory declaration on above points from German representative.

Addressed to Coblenz No. 75.

Repeated to Paris by bag, No. 498.

No. 686

The Marquess Curzon of Kedleston to Mr. Robertson (Coblenz)

No. 76 Telegraphic [C 17329/15264/18]

Urgent

FOREIGN OFFICE, *September 1, 1921, 9.45 p.m.*

Your telegram No. 97¹ (of August 31st. Licensing organisation).

Supreme Council decided on August 13th that expert allied committee should meet forthwith at Coblenz to discuss with German authorities precise form of organisation which, when customs sanction disappears on September 15th, will collaborate with German authorities in supervising issue of import and export licences. Committee was to submit recommendations by September 1st.²

British expert³ having gone to Coblenz with full instructions, and French experts having been appointed, I had assumed that High Commission had brought experts and German authorities together, and that discussions were proceeding. In this way useful preliminary work would have been done pending consideration of German reply by allied Governments.

As you are aware, view of His Majesty's Government has throughout been that customs sanction should be removed if German Government accepted principle of *an* inter-allied organisation for purpose indicated. I therefore fail to understand assumption of your above-mentioned telegram that experts cannot meet Germans until reply of German Government has been accepted as satisfactory. They might have met without committing either side.

You should expedite discussions on these lines.

Addressed to Coblenz No. 76.

Repeated to Paris by bag No. 499.

¹ No. 683.

² See Vol. XV, No. 104, p. 759.

³ Mr. J. J. Wills; see No. 674, n. 3.

Mr. Robertson (Coblentz) to the Marquess Curzon of Kedleston
(Received September 2, 9.40 p.m.)

No. 99 Telegraphic [C 17431/15264/18]

Urgent

COBLENZ, September 2, 1921, 3.17 p.m.

Your telegrams Nos. 75 and 76.¹

I quite understand view of His Majesty's Government has throughout been that sanction should be removed on September 15th if German Government accepted principle of interallied organization. At present, I have, however, no indication that French Government share this view. It is essential that other allied Governments should instruct their Commissioners that sanction can be removed as arranged, as German reply appears to be satisfactory.

I would remind Your Lordship of Paris telegram No. 644² which stated view of French Government to be that committee of experts could not hold official meeting until German Government had replied to notification of Supreme Council. This seems to imply that German reply must be accepted by Supreme Council before allied experts can usefully meet Germans and this has been the view of my French colleague. So far he has not consented to allied experts meeting other than unofficially. These experts are not yet in agreement and it would serve no useful purpose for them to meet Germans until they can make agreed proposals.³

¹ Nos. 685 and 686.

² Of August 24. This telegram reported the appointment of the French, Belgian, and Italian delegates (M. Certeron, Colonel Mathieu, and Commander Dell'Abbadessa respectively). Lord Hardinge continued: 'Committee of allied experts is therefore complete but cannot hold official meeting till German Government have replied to notification of Supreme Council and designated their delegates. French Government however see nothing to prevent allied experts meeting unofficially at Coblentz, pending nomination of German experts which cannot be long delayed in order to examine forthwith scheme for organism which it is their duty to establish.'

³ Mr. Wills, the British expert, left Coblentz to return to England on September 2. After a conversation with him, Mr. Waterlow minuted on September 5 as follows:

'The position as he reports it is that the French are quite determined not to allow the customs sanction to be removed until we have agreed to accept, and to force upon the Germans, a scheme for a licensing organisation on lines that have been unofficially put forward by the French experts at Coblentz (who, by the way, are in fact merely officers of the High Commission).

'The main features of the scheme, from which no discussion can move the French (supported by the Belgians and Italians against Mr. Wills and the American representative), are that there is to be an allied licensing authority, through which all applications for export and import permits in the occupied territory must pass, and a separate German committee, carrying out the directions of the allied committee and discussing disputed cases with it. The German committee is to be entirely independent of, and allowed to take no instructions from, Berlin. One-fifth of all German imports (Mr. Wills says the statistical basis is absurd and impracticable) are to be allotted as a ration to the Rhineland, and the allied committee is to distribute this ration by licences to Rhineland firms, with no interference from Berlin.

'This scheme is desirable from the French point of view for two reasons: (1) because, by

I have throughout adopted attitude that setting up of allied organization is a purely economic matter which is no concern of High Commission's. Imposition of sanction was ordered by Supreme Council, High Commission were merely used as instrument. It is not therefore for High Commission to recommend acceptance of German note which is purely a matter for the allied Governments; my colleagues agree with me in this.

French proposal for licensing system is as follows:

1. Licenses to be issued by Germans but to bear stamped visa of allies.
2. In the event of disagreement, allied Committee and German representative to meet for discussion. If disagreement persists matter to be settled through diplomatic channel.
3. Opinion of allied Committee to be decided by majority votes.
4. Allied Committee while preserving technical autonomy to be placed under authority of High Commission.

Personally I should be prepared to agree to numbers 1, 2, and 3 but not to 4. Allied Committee must be completely autonomous and under orders of respective Governments.

Meanwhile urgent decisions are requested on following points.

A. Do all allied Governments consider German reply sufficiently satisfactory to warrant abolition of sanction by High Commission, or

B. Must agreement as to details of inter-allied organization precede abolition of sanction.

I venture to submit that these points can only be settled at Paris, not here.

Meanwhile my French colleague⁴ is in Paris and my Belgian colleague⁵ in Brussels so that I shall be unable to communicate with them until next week.

... ⁶ Paris No. 27.

the system of rationing and licensing, it will make Rhineland firms dependent on the French High Commissioner (for the licensing officials, whatever we may say, will not be separate from him), thus giving him great political power; and (2) because it will tend to separate the Rhineland economically from the rest of Germany by cutting it clean off from the general system of import and export prohibitions, which is centralised at Berlin.'

⁴ M. Tirard.

⁵ Baron Rolin-Jacquemyns.

⁶ The text is here uncertain.

No. 688

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received September 4, 10.50 a.m.)

No. 668 Telegraphic [C 17462/15264/18]

PARIS, September 3, 1921, 8.20 p.m.

I received a visit this afternoon from the French High Commissioner at Coblenz.

In reply to my enquiries, he told me that he had seen last evening the President of the Council and that the latter awaits a reply to his note of August 28th (see my despatch No. 2440),¹ and hopes it may be to the effect

¹ No. 680.

that His Majesty's Government adhere strictly to the terms of the note of the Supreme Council of August 14th² and will not admit the relaxation of any of the guarantees embodied therein though willing to agree to any modification in detail by which the principle of the resolution of the Supreme Council would not be affected.

I replied that this was not the impression given by M. Briand's note which simply stated that the German Government, not having accept . . .³ essentials of the allies' note of August 14th, it was necessary to study their note carefully before drawing up a reply. His Majesty's Government, on the other hand, interpreted the German reply as an acceptance in principle of the resolution of the Supreme Council subject to the clearing up of a few points of detail which could only be effected by experts assembled at Coblenz acting in unison with the High Commissioners. It seemed to me that this was the only practical and expeditious course and that the reply of the allies to the German note should be drawn up at Coblenz and submitted by the High Commissioners to their respective Governments for approval.

M. Tirard entirely agreed that this was the only course to pursue, but from what M. Briand told him last night it was essential to obtain first a declaration of policy that the guarantees would not be reduced, otherwise . . .³ would be ill-advised to prolong the economic sanctions. Once such a declaration had been given, the High Commissioners and experts should receive instructions to prepare a joint reply for submission to their respective Governments.

I think it desirable to regard Tirard's statements to me as confidential.
Repeated to Coblenz.

² See No. 674, n. 1.

³ The text is here uncertain.

No. 689

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 505 Telegraphic [C 17767/15264/18]

Very urgent

FOREIGN OFFICE, *September 9, 1921, 4.45 p.m.*

Please make following communication to French Government.

I had hoped that informal discussions between allied experts at Coblenz would pave the way for agreement as to precise character of organisation to prevent discrimination against allied trade by means of import and export licences. That these discussions have proved fruitless causes His Majesty's Government as much concern as surprise, since they were under the impression that the decision taken by the Supreme Council on August 13th reflected a complete agreement in principle between the views of His Majesty's Government and the French Government on the subject.¹

¹ In Paris telegram No. 666 of September 3, Lord Hardinge transmitted the text of a communiqué issued by the French Government rejecting the agreements of August 13 as involving contraventions of the Treaty of Versailles and infringing on the powers of the Reparation Commission. The communiqué added that the French Government

In these circumstances, it is necessary, since the date of the removal of the customs sanction is drawing near, that no misunderstanding should be allowed to subsist either (1) as to the light in which His Majesty's Government regard the reply of the German Government² to the note in which the decision of the Supreme Council was notified to them, or (2) as to what should, in the opinion of His Majesty's Government, be the character of the inter-allied organisation which the Supreme Council decided should be set up on the removal of the customs sanction.

(1) The German note of August 25th [26]² accepts the principle of an inter-allied organisation to co-operate in preventing discrimination against allied trade in the occupied territory. His Majesty's Government therefore consider that it should be accepted as justifying the removal of the customs sanction on September 15th subject to the clearing up of a few points of detail, some of them apparently misunderstandings, by discussion with the German representatives.

(2) Character of the proposed organisation. It seems that the French experts at Coblenz pressed for the establishment of an allied licensing authority possessing, in addition to the right to investigate German licensing operations in occupied and unoccupied territory, that of validating, by allied visa, all German licences for the occupied territory. The French experts also insisted on the allocation to the occupied territory of licences covering a certain fixed proportion of all German imports.

These proposals travel, in the opinion of His Majesty's Government, beyond the intention of the Supreme Council, which, as appears from the express terms of the resolution, was to create machinery with the sole object of supervising the German licensing system in order to ensure the execution of articles 264-267 of the Treaty of Versailles. In order to attain that object it is unnecessary to set up a body possessing executive powers. What the Supreme Council decided to invite the German Government to accept as a prior condition to the removal of the customs sanction, and what the German Government have in fact accepted, was the establishment of a body with power to investigate and supervise the German licensing system. His Majesty's Government cannot agree to press the German Government to accept an interference with their executive control over that system. Nor can His Majesty's Government agree to proposals which would tend to separate the occupied territory economically from the rest of Germany. Finally, the members of the proposed organisation ought to be directly responsible to their respective Governments, and should work in complete independence of the Inter-allied Rhineland High Commission, whose functions

would 're-examine contested points with Allies in most conciliatory spirit' and 'seek with them solutions calculated to safeguard rights of each in conformity with provisions of Treaty of Versailles and previous agreements'. An official communication in this sense was made by the French Government in an undated note handed to Lord Hardinge and transmitted by him to the Foreign Office in his despatch No. 2488 of September 3, not printed.

² See No. 680 and No. 685.

are, under the Rhineland agreement,³ confined to matters affecting the security and maintenance of the armies of occupation.

His Majesty's Government trust that they may be informed with the least possible delay that the French Government agree with their point of view under both the above heads, and that they will send instructions to their representatives accordingly. As soon as they are so informed His Majesty's Government will, so far as they are concerned, make arrangements for the resumption of the discussions at Coblenz.

A similar communication is being made to the Belgian and Italian Governments.

Addressed to Paris, No. 505. Repeated to Coblenz, No. 80. Berlin, No. 212. Brussels, No. 116. Rome, No. 388.

³ Of June 28, 1919. See *B.F.S.P.*, vol. 112, pp. 219-24.

No. 690

*The Marquess Curzon of Kedleston to Mr. Phipps (Brussels)¹ and
Mr. Kennard (Rome)²*

No. 117³ Telegraphic [C 17767/15264/18]

Very urgent

FOREIGN OFFICE, September 9, 1921, 4.45 p.m.

Please communicate to Government to which you are accredited substance of my telegram to Paris No. 505.⁴ You should express hope that they will agree with view of His Majesty's Government on the two points dealt with in that telegram and that they will instruct their representative at Coblenz accordingly.

Addressed to Brussels No. 117⁵ and Rome.⁶

¹ Counsellor of H.M. Embassy at Brussels and Chargé d'Affaires, July 25-September 1.

² Counsellor of H.M. Embassy at Rome and Chargé d'Affaires, July 16-September 15.

³ No. 117 to Brussels and No. 389 to Rome.

⁴ No. 689.

⁵ Sir G. Grahame in his telegram No. 162 of September 18 replied: 'I have received note from Minister for Foreign Affairs stating that Belgian Government agree that Inter-Allied Organisation has no right to *viser* [*sic*] all German licenses for occupied territory. The sole object of organisation being to ensure execution of Articles 264 to 267 of Treaty of Versailles, it should have the right to supervise granting of licenses.'

⁶ Sir G. Buchanan in his telegram No. 393 of September 22 reported that, according to the Italian Minister for Foreign Affairs, the Italian Government had already informed the French that they 'were prepared to participate in representations which Monsieur Briand proposed to make at Berlin', holding that 'unanimous decision [of] Supreme Council should be accepted by German Government in form in which it has been notified to that Government without any conditions or reservations'. The Minister added, however: 'As regards competence and functions of inter-allied organisation control, Italian Government share views of His Majesty's Government and will give appropriate instructions to Italian representative at Coblenz.'

*Record¹ of an interview between the Chancellor of the Exchequer
and M. Doumer²*

[C 18621/2740/18]

TREASURY, September 9, 1921

Monsieur Doumer commenced by saying that he wished to inform the Chancellor of the way in which certain provisions of the recent Financial Agreement³ had been received by French Ministers and the French public generally. Article I of this Agreement in effect proposed to divide the whole of the first milliard between Great Britain and Belgium, and it could easily be imagined what the effect on French public opinion would be if France, who had suffered most, received nothing. The French Government could not possibly sustain the Agreement in the Chamber and it was necessary to find some arrangement which did not traverse French interests quite so brutally. The British priority was uncontested, but was it necessary that it should be satisfied out of the first milliard which represented the first two quarters payments under the Schedule of Payments? If this amount was diverted to defray the costs of the Armies of Occupation, what guarantees would there be behind the Reparation bonds? Clearly Great Britain must have the money, but was there no other source from which she could be satisfied? This was the most important point and the French Ministers were convinced that they could not make the Agreement as it stands acceptable.

The problem could be looked at from another angle. Germany owed reparation and other debts. The two categories should not be mixed up, and some means of satisfying them separately should be found.

He had not asked the French Government for power to negotiate and indeed his present position in this matter was a delicate one but he had been anxious to come to London himself and explain the situation. Any suggestions which he put forward must therefore be regarded as tentative. He then pointed out that there was due from Germany a debt in respect of sales of war material which amounted roughly to the amount of the British priority. This could be exacted at once. It is true that the Reparation Commission had ruled that receipts on this account should be assigned to the payment of annuities under the London Agreement, but this was not necessary.

Sir Robert Horne said that he realised Monsieur Doumer's position in this matter and that his proposals could not be definitive. He was quite ready to receive tentative suggestions, but he was bound to point out that he did not appreciate the difficulties of getting the Financial Agreement accepted by the French Parliament. It was based upon arrangements made by previous Ministries and it ought to be possible to make the public understand that

¹ This record of the conversations which took place in the Treasury on September 9 was communicated to the Foreign Office on September 23.

² See No. 436, n. 4.

³ Of August 13, see No. 672, n. 1.

the Paris Agreement amounted merely to honouring previous undertakings. Nevertheless he would consider any proposals put forward by Monsieur Doumer but it would be impossible to give a final opinion without consultation with the other Allied signatories to the Agreement.

As to the immediate suggestion that the costs of our Armies of Occupation should be defrayed from some other fund than the first milliard and in particular from the receipts in respect of sales of war material, he found it difficult to understand how French opinion would be conciliated by Great Britain being reimbursed from this source rather than from the first milliard if the former fund was immediately available. In any case it was doubtful if it would be sufficient to satisfy Great Britain's claim, and he could not understand how it could possibly be available immediately.

Monsieur Doumer pointed out that French public opinion had been struck mainly by the fact that British priority was to be satisfied from the first payment made expressly for the service of reparation bonds while France got nothing. There was of course irritation on both sides of the Channel but there was no ill-will in France towards the British claim. The only question was at what particular point the British right should be exercised. The first milliard was surely intended for reconstruction and not for reimbursement of the costs of the Armies of Occupation, and if it were possible to reimburse Great Britain from some other source, he was sure that it would cause no ill-will in France.

As regards the amount available on account of war material, the French delegate on the Reparation Commission estimated it to be about 460,000,000 gold marks, and if the Chancellor accepted his suggestion in principle (*ad referendum* of course) much would have been done to effect a rapprochement.

In the London Agreement, the Reparation Commission had expressly added words which made it clear that the first milliard represented the first two quarterly instalments under the Schedule of Payments, and he hoped that it would be possible to avoid allocating this amount to the Armies of Occupation.

Sir Robert Horne said that the whole of Monsieur Doumer's contention was founded on the mistaken idea that payment for the Armies of Occupation was outside of reparation, but the costs of the Armies of Occupation were a first charge on the reparation fund (cf. Articles 248 and 251 of the Treaty). It was a mere accident that France had received the cost of her Armies of Occupation in the shape of coal etc. while we got only a part of ours in the shape of ships etc. In Paris the French contention was that deliveries in kind did not cover the cost of the Armies of Occupation and there was no suggestion that these costs were not defrayable from the reparation fund.

Monsieur Doumer stated that he was sorry that he had not realised at Paris the importance of the words which had been added to Article 5 of the Schedule of Payments. These words raised the question as to whether there were distinct accounts. This was certainly not contemplated in the Treaty but it was introduced by the Schedule of Payments. The annuities provided in the

latter were definitely on account of reparation. That Schedule set up an international debt to the holders of reparation bonds and there must clearly be a special reparation account for the service of these bonds. The formation of the Committee of Guarantees confirmed this view, therefore it was necessary to recognise the existence of a new factor—the definite allocation of payments to the services of these bonds.

Sir Robert Horne dissented and expressed the opinion that the word 'reparation' could not mean different things in the Schedule of Payments and the Treaty. He then enquired what the position was in regard to the war material, and Sir John Bradbury explained that a large amount of war material had been sold by the German Disposal Board and the proceeds paid to the German Government before the Reparation Commission took charge. A large sum, which for convenience had been assessed at 10,000,000 of paper marks, was therefore due to the Reparation Commission. As regards the question as to how far this was a disposable asset, it must be remembered that they were paper marks due by the German Government to the Reparation Commission towards the annuities provided for in the Schedule of Payments. The French proposals therefore amounted to asking Great Britain to postpone her claim on account of the costs of the Armies of Occupation until these paper marks were realised and until they became available as part of future annuities.

Monsieur Doumer expressed the opinion that there was no reason why these receipts should be allocated to reparation. The Schedule of Payments provided for specific annuities. If there were other payments available they could be allocated to this service if there were no other priority, but the cost of the Armies of Occupation was clearly a definite priority which might be satisfied out of these separate payments. The only difficulty he could see was the conversion of paper marks to gold, and this was not insoluble. The estimate of 460,000,000 gold marks was a moderate one and a figure of as much as 600,000,000 gold marks had been mentioned. It was immediately available and the only requirement was for the Reparation Commission to alter its decision. Sir John Bradbury pointed out that the receipts for sales of war material had been paid to the German Government and presumably spent by them. It was certainly a debt due by the German Government, but it could only be produced by borrowing or by resort to the printing press. Even then there was the difficulty of making paper marks available in sterling. Mr. McFadyean added that the Reparation Commission had had to decide whether any receipts on this account should be allocated to Reparation account or to the pre-1st May account. The annuities laid down in the Schedule of Payments were regarded as the maximum amount which Germany could pay and therefore if Germany had to pay this particular debt during the current year it must be allocated to the annuities.

Monsieur Doumer said that naturally the Reparation Commission should collect everything possible for reparation purposes, but Great Britain had a claim outside of reparation for the costs of her past Armies of Occupation while both France and Great Britain had a claim for the current cost of their

Armies. He pointed out that the Allies did not control the whole of Germany's assets and that the Armies of Occupation, being outside of reparation, should be paid for out of assets other than those controlled. Until Germany's vast possessions abroad had been liquidated it was not possible to say that she could not pay.

Sir Robert Horne re-stated the position as follows:—Germany had already paid 1 milliard of gold marks. Monsieur Doumer proposed that Great Britain should not take anything for her Armies of Occupation from this but had indicated some other fund from which the costs might come. But it now appeared that this fund was not in existence, or at any rate that it was not immediately available either in France, in Great Britain or in Italy, i.e., Monsieur Doumer asked Great Britain to forego a certainty and to accept a contingent payment which the Reparation Commission were convinced that Germany could not pay. Even if Germany could pay there was the further difficulty of converting the paper marks into sterling which would have the inevitable effect of depreciating German currency still more. He thought that Great Britain could not reasonably be asked to accept this proposal.

Monsieur Doumer replied that he was convinced that this money could be realised in two or three months, possibly before the first milliard was distributed. Germany had vast fortunes abroad and with energy and goodwill to the Allies could force her industrial magnates to lend money to provide this alternative fund. He asked whether, in the event of the problem of transforming the paper marks to gold being solved, the Chancellor of the Exchequer would agree to ask the Reparation Commission to allocate them to the pre-1st May account.

Sir Robert Horne replied that he could never agree that Great Britain was not entitled to receive the cost of her Armies of Occupation out of the first milliard. His difficulties with the British Parliament and the British public were as great as those of the French Ministers and he would not have begun to consider the proposal if it had not been for Monsieur Doumer's earnest appeal. In view of this however he would say that he did not mind from what source the money came, but before he considered the proposal seriously he would need to be assured that this money was as readily available as the first milliard.

Monsieur Doumer went on to say that the question was not only one of public opinion in France but of respect for the Schedule of Payments. The utmost importance was attached to anything which guaranteed the service of the bonds. The receipts from sales of war material were not a guarantee of the bonds, whereas the first milliard was. The destination of the first milliard must be respected if there was any question of selling the bonds abroad. Great Britain had the same interest as France in maintaining the capital value of the bonds, and he suggested that they should join in putting pressure on Germany to demand that the 10 milliards of paper marks should be made available, particularly as Germany could undoubtedly pay.

Sir Robert Horne indicated that he could not take so optimistic a view.

He pointed out that the debt to Great Britain for her Armies of Occupation was not a debt due by Germany but by the Allies. Even if we could justifiably demand this other money from Germany it was very unlikely that she could pay. France would have to realise that the only payment which the Allies would get in the future would be on account of the coupons attached to the bonds. There was never any expectation that the bonds for distribution among the Allies would have all their coupons attached and they would have to be sold minus the coupons required for immediate reparation or other payments. He felt that it would be impossible to explain to the House of Commons why Great Britain alone had received only a small part of the costs of her Armies and to offer them contingencies and hopes instead of cash.

He then asked what would be the position supposing that, against all that he had previously said, it was decided to allocate the first milliard to reparation in the narrower sense of the word only. Surely the whole position was that the whole milliard would go to Belgium.

Monsieur Doumer stated that he understood that, if Great Britain surrendered what she would have received under the Paris Agreement, Belgium would not desire to receive more than 550,000,000 gold marks, leaving 450,000,000 gold marks for distribution.

There must always be a separate account for the costs of the Armies of Occupation and it was necessary to rely upon the solidarity of the Allies to extract from Germany expenses outside the Schedule of Payments. If the Chancellor of the Exchequer accepted his proposal in principle it could easily be carried into effect by the Reparation Commission, and as the Reparation Commission existed to guarantee the service of the bonds and to see that Germany paid the annuities provided by the Schedule of Payments, he expected no difficulty in carrying it into effect.

Sir Robert Horne replied that he could not agree to give up anything in hard cash to which he was clearly and definitely entitled. His views were (1) that Article 5 of the Schedule of Payments was not inconsistent with the Paris Agreement: (2) if the Agreement as to the necessity for maintaining the value of the bonds was sound, it would be necessary to devote the whole of the first milliard to that purpose and the whole logical basis of it would be destroyed by allocating 555,000,000 gold marks to Belgium: (3) the position as he understood it was that the Allies by mutual arrangements among themselves had agreed to distribute in a certain manner what they received on account of their joint claim on Germany.

Monsieur Doumer retorted that Belgium's priority was a priority in reparation and to honour this would not diminish the amount available for reparation. It was a different matter to extract a part of the money specifically allocated to reparation and to devote it to a different purpose. In his opinion the satisfaction of Belgium's priority merely amounted to making the administration of the service of the bonds for the first year or so more difficult.

At this point the meeting was adjourned until 4 o'clock.

On reassembling at 4 o'clock, Sir Robert Horne pointed out that there was one point in addition to those he had mentioned in the morning which definitely made Monsieur Doumer's solution impossible. The Reparation Commission had definitely decided to attribute any receipts on account of the sales of war material to the annuities under the Schedule of Payments, and this decision had been announced to Germany. On Monsieur Doumer expressing doubt as to whether the decision had been announced to Germany and pointing out that he had asked that it should not be so announced until after his conversations with the Chancellor, Sir John Bradbury pointed out that even if the letter to Germany had not been definitely dispatched it had appeared in the minutes of the Reparation Commission and in this matter the jurisdiction of the Reparation Commission was beyond dispute.

Sir Robert Horne went on to say that the reason for the decision was that the Commission were convinced that Germany could not find this amount in addition to the annuities. He asked whether the French, if they were in Great Britain's position, would accept this contingent payment in lieu of cash here and now.

Monsieur Doumer replied that he could not say how France would act if it had not the problem of the devastated regions: but for this public opinion would not be so susceptible. It must be remembered that France had 3,000,000 homeless persons.

Sir Robert Horne thought that this question could not be carried any further at this stage and asked what other points Monsieur Doumer wished to raise.

Monsieur Doumer begged the Chancellor not to close his mind against his proposal and hoped that it would be possible to find some way out of the difficulty.

He went on to say that the French Council of Ministers had asked why it was sought in the Paris Agreement⁴ to oust the Reparation Commission, for instance Article 5 sought to fix the amount of the Austrian and Hungarian debt (he pointed out at this stage that the reference in this Article to Article 2 (b) of the Spa Agreement should have been to Article 2). He indicated that the Article in its present form was not acceptable and he could not see why the amount could not be left to the Reparation Commission to fix, particularly as they had very much more information at their disposal.

Sir Robert Horne pointed out that this Article fixed a minimum which should be distributed among the Allies on account of non-German reparation. This was quite apart from any decision of the Reparation Commission. We clearly could not go back on the decision in the Agreement without consulting Italy.

Monsieur Doumer repeated that the French Government were unable to understand why, if the Reparation Commission must fix the amount in the last resort, they should not fix it in the first.

Sir Robert Horne explained that Italy had represented that she had a special interest in Austrian reparation and that it had been necessary to offer

⁴ See No. 672, n. 1.

her some inducement to give up her liens on Austria.⁵ This inducement was contained in Article 5, which represented a great reduction of her original request. We clearly could not get the consent of Italy to any arrangement which was less favourable to her than that contained in this Article.

Monsieur Doumer replied that there was no doubt that the Italian Agreement was dependent upon Article 5 but Austria had not yet been and possibly would not be relieved at all. The actual fixing of the figure should be left to the Reparation Commission. The figure in the Article was a pure guess and if the Reparation Commission fixed it at a lower figure, Italy would have been given too much. When the figure had been fixed it would be possible to consider what should be done.

Sir Robert Horne stated that the Italian Minister of Finance had insisted that a figure should be fixed at once so that he could know whether it was such that Italy could feel justified in releasing the liens. He was quite sure that their consent to the Agreement would be withdrawn unless the figure in Article 5 was adhered to.

Monsieur Doumer was unable to understand how Italy could of her own effort get anything out of Austria. There was however plenty of time for the Reparation Commission to examine the question and the French Government was of opinion that this it should be allowed to do. It was clear that the question must be discussed in the presence of the Italians. He was not asking for a solution. He was merely putting forward the views of the French Cabinet. In due course France would put her suggestions on this and on other points in writing.

He then went on to the question of the price of ships. This had been fixed by the Spa agreement and it was clear that Great Britain must not be debited with more than the amount determined by the Spa Agreement, but the French Government insisted that Germany should not be credited with more than this amount. The Chancellor would remember that it had been agreed that each Government would urge this point of view upon its delegate on the Reparation Commission.⁶

Sir Robert Horne agreed but indicated that Great Britain could do no more than represent their point of view to the Reparation Commission and that the settlement of the question must be left to the Commission.

Sir John Bradbury said that no decision had yet been arrived at by the Commission, but the American unofficial delegate had been asked to make suggestions.

Monsieur Doumer then went on to point out one or two questions of secondary importance arising out of the Agreement. The first related to the difficulty of arriving at any settlement of the main question until the price to be credited to Germany for the Saar Mines had been fixed. (Sir Robert Horne agreed that the price should be fixed as rapidly as possible and referred to Sir John Bradbury who gave his opinion that the amount could probably be determined within a fortnight.) He also pointed out that the Reparation

⁵ See Vol. XV, No. 103, minute 6, pp. 717-18.

⁶ See Vol. XV, No. 104, Appendix 2.

Commission had decided under Article 235 of the Treaty that the value of the Saar Mines was not chargeable to the pre-1st May account and had notified this decision to Germany. The Paris Agreement now sought to reverse this decision.

Sir John Bradbury explained that the question which had been decided by the Reparation Commission was that of counting the value of the Saar Valley against the 20 milliards required before the 1st May 1921 for economic reparation and war damage. The Commission had decided to count liquid resources only for this purpose and they had also decided that the Saar was a non-liquid resource. The decision had no bearing on the domestic accounts as between France and the other Allies.

Monsieur Tannery⁷ now referred to the Article which proposed that the Belgian debt should be payable in 'A', 'B' and 'C' bonds proportionately, and said that the French Government wished to raise the question of increasing the amounts allocated to series 'A' and 'B' under the Schedule of Payments. Sir Robert Horne felt that it was impossible to present to Germany demands in addition to those provided for in the Schedule of Payments and that there was no advantage in increasing the amounts of series 'A' and 'B' bonds seeing that 'C' bonds would be issued as soon as Germany was able to provide the necessary amount for interest and sinking funds.

Sir Robert Horne promised to consider the views put forward by Monsieur Doumer, but indicated that little progress could be made until the remaining Allies had been brought in.

It was agreed that the following communiqué should be issued to the Press:—

'Monsieur Doumer had an interview with the Chancellor of the Exchequer at which the questions involved in the Financial Agreement of Paris were reviewed in a spirit of complete friendliness and cordiality. It was agreed that the issues raised should receive further consideration in consultation with the other Allies.'

⁷ A French financial expert and member of the French delegations to the meetings of the Supreme Council in Paris in January, and in London in February–March and April–May 1921.

No. 692

The French Ambassador to the Marquess Curzon of Kedleston
(Received September 12)

[C 18222/15264/18]

Très urgent

LONDRES, le 10 Septembre, 1921

A la suite de son entretien avec Sir Eyre Crowe, le 7 de ce mois,¹ l'Ambassadeur de France n'avait pas manqué de faire connaître à son Gouvernement

¹ No record of this conversation has been traced in the Foreign Office archives.

l'impression du Gouvernement britannique sur la réponse allemande du 26 Août,² relative à la levée des sanctions.

Depuis cette conversation, Lord Hardinge a certainement exposé à Paris le point de vue britannique et fait connaître à Londres celui de M. Briand. Néanmoins, en vue d'éviter toute perte de temps, le Comte de Saint Aulaire croit devoir, dès maintenant, attirer l'attention de Sa Seigneurie le Marquis Curzon of Kedleston sur le fait que la réponse allemande ne paraît pas satisfaisante au Gouvernement français.

En la comparant au texte de Paris (ci-joint en annexe)³ le Gouvernement français s'est convaincu que le Cabinet de Berlin n'a pas donné son acceptation dans les conditions prévues par la Résolution du Conseil Suprême, en date du 13 Août.⁴

La première 'condition' du texte arrêté à Paris porte, en effet, sur la constitution d'un organisme intérallié collaborant avec les autorités allemandes pour l'examen et la délivrance des licences d'importation et d'exportation de marchandises à destination ou en provenance de firmes situées ou établies dans les territoires occupés. Or, l'adhésion de principe à ce système, donnée par le Gouvernement allemand, se trouve subordonnée, d'une part, à une entente ultérieure entre lui-même et les Alliés; d'autre part, à une modification essentielle des attributions de l'organisme intérallié prévu, qui serait transformé en une commission de contrôle. L'acceptation allemande est donc soumise à des réserves qui lui enlèvent toute valeur réelle.

De même la réponse du Gouvernement allemand n'accepte pas explicitement la seconde condition intéralliée (actes accomplis pendant la durée des sanctions). Le Gouvernement de Berlin refuse ensuite de reconnaître le rôle qu'attribue la Résolution du Conseil Suprême à la Haute Commission intéralliée à l'égard du futur organisme économique. Enfin, la réponse allemande, contrairement au texte de Paris, attribue à la réunion des experts de Coblenz les pouvoirs nécessaires pour engager des négociations générales sur la portée de la Résolution du 13 Août.

Dans ces conditions, il semble au Gouvernement français qu'il est inutile pour les Alliés d'ouvrir une discussion avec le Gouvernement de Berlin sur la nature de la communication allemande du 26 Août. En se séparant, le Conseil Suprême avait arrêté les conditions auxquelles devait consentir l'Allemagne pour obtenir la levée des sanctions économiques. Les représentants allemands à Rome et à Bruxelles ont été avisés par les Gouvernements belge et italien que ces conditions devaient être acceptées purement et simplement. A Paris, M. Briand partage cette manière de voir.

Le Gouvernement français estime donc que, pour l'instant, les conditions rendant possible la suppression des sanctions économiques ne sont pas remplies. Il espère encore toutefois que le Gouvernement allemand comprendra, avant le 15 Septembre, la nécessité d'accepter la résolution intéralliée de Paris en s'abstenant désormais d'essayer d'en changer le caractère en formulant des contre propositions différentes.

Le Comte de Saint-Aulaire saisit, &c.

² Enclosure 2 in No. 680.

³ Not printed.

⁴ See No. 670.

*French Ministry of Foreign Affairs to Lord Hardinge (Paris)*¹

[C 17980/15264/18]

Monsieur l'Ambassadeur,

PARIS, le 11 septembre, 1921

Par lettre No. P. 1442 du 10 de ce mois,² Votre Excellence a bien voulu me faire part du regret du Gouvernement de Sa Majesté de voir que les experts réunis à Coblenz n'aient pu se mettre d'accord sur l'établissement d'un organe de Contrôle de la délivrance des licences pour les T[erritoires] O[ccupés] malgré le texte si clair de la Résolution du Conseil Suprême du 13 août³ et vous précisiez à cette occasion le point de vue britannique.

Je m'empresse de vous faire savoir que le Gouvernement français n'est pas au courant des pourparlers qu'ont pu avoir les experts à Coblenz, et qui, en tout cas, ne sauraient engager les gouvernements; la mission de ces experts ne peut réellement commencer que du jour où l'Allemagne aura déclaré accepter les conditions mises à la levée des sanctions économiques; jusqu'alors leurs pourparlers ne peuvent qu'être absolument officieux.

Par ailleurs, le Gouvernement français s'en tient strictement au texte de la Résolution précitée, établie, comme vous le faites justement observer, en plein accord par les Puissances Alliées et dont les termes très précis ne sauraient donner lieu à aucune équivoque.

D'après cette Résolution, le Gouvernement allemand doit accepter la constitution d'un organisme interallié qui *collaborera* avec des autorités allemandes compétentes à l'*examen* et à la *délivrance* de licences d'importation et d'exportation de marchandises à destination ou en provenance de firmes situées ou établies dans des territoires occupés. Il est clair que cette collaboration ne sauraient intervenir après coup, comme le demande le Gouvernement allemand, mais qu'elle doit s'exercer au moment de l'*examen* et de la *délivrance* de licences. Il est, par ailleurs, entendu que le seul but de cette [*sic*] organisme sera de s'assurer qu'*aucune discrimination n'est exercée par les autorités allemandes à l'occasion de la délivrance de ces licences*.

Le Gouvernement français estime que le texte de la Résolution du 13 août ne peut être interprété différemment; or rien dans la réponse allemande du 26 août ne laisse entendre que le Gouvernement allemand est d'accord à ce sujet. Bien au contraire, le Représentant à Paris de ce Gouvernement a expressément fait connaître au Directeur des Affaires Politiques de mon Département qu'il ne saurait être question pour l'organisme à créer que d'examiner après coup les statistiques pour vérifier si des discriminations ont eu lieu et de collaborer à l'examen des plaintes éventuelles, et, le cas échéant, au règlement des cas où des discriminations auraient été constatées.

¹ Enclosed in Paris despatch No. 2549 of September 12, marked 'very urgent', which was received in the Foreign Office on September 13.

² Not traced in the Foreign Office archives. The communication was presumably made in accordance with the instructions contained in Foreign Office telegram No. 505 to Paris (No. 689).

³ Vol. XV, No. 104, Appendix 8.

Une telle interprétation est inacceptable: le texte de la Résolution est parfaitement clair; il ne peut s'agir d'un contrôle exercé après coup, comme le voudrait le Gouvernement du Reich. Il s'agit d'une collaboration à exercer avant la délivrance. L'organisme prévu n'est nullement analogue aux Commissions de Contrôle créées par le Traité de Versailles. Celles-là ne collaborent pas avec l'administration allemande; elles font de leur propre autorité des enquêtes et exercent une surveillance sur des actes déjà accomplis. L'organisme tel que le propose le Gouvernement allemand serait précisément analogue à ces Commissions du Traité dont il redoute de voir créer une nouvelle.

Quant au Comité d'experts prévu au paragraphe 4 de la Résolution du 13 août, il n'aura pas à statuer sur les fonctions de l'organisme qui sont établies par le paragraphe 2; il aura simplement à fixer la constitution précise de cet organisme, c'est-à-dire sa composition, son siège, ses modes de travail etc. . . .⁴

Si le Gouvernement allemand n'acceptait pas préalablement les conditions formelles auxquelles la Résolution subordonne la levée des sanctions économiques pour le 15 septembre, ces sanctions ne seraient pas levées à cette date.

Les Gouvernements italien et belge ont déjà fait savoir qu'ils partageaient le point de vue français. Je ne puis douter que le Gouvernement de Sa Majesté, une fois que l'Ambassadeur de France à Londres lui aura donné ces explications qui lui ont été télégraphiées le 10 de ce mois,⁵ ne se rallie à l'opinion de tous les Gouvernements alliés.

Veuillez agréer, &c.,

E. DE PERETTI DE LA ROCCA

⁴ The punctuation is here given as in the original.

⁵ See No. 692.

No. 694

Memorandum communicated by the German Embassy

[C 18001/1109/18]

Translation

[LONDON, September 12, 1921]¹

According to information received here to-day, there appears to be some uncertainty in Paris as to whether the Control Committee to be created should collaborate 'à l'examen et à la délivrance' or 'à l'examen des licences délivrées'.

It is thought in Germany that the system regulating export and import in Germany and the administration thereof should be allowed to work unhindered. Previous inspection of import licences would represent an intolerable delay and therefore great prejudice to the economic existence of Germany, which must, more especially in the case of fluctuations of exchange, be in a position to act with certainty and speed.

Germany does not fail to recognize that it will be impossible permanently

¹ A note on the original read: 'Undated; Handed in by German Chargé d'Affaires on 12/9/21.'

to forbid the import of certain luxury goods by Germany. This has already been made clear by the German Italian Agreement.² In regard to the conversation in Paris with Monsieur Seydoux, Mr. Secretary Hirsch has stated, on behalf of the German Government, that he is willing to come to a similar agreement with France. It only remains for France to hasten the commencement of negotiations by presenting a list of the various groups of goods which she would desire to see incorporated in the Agreement. It follows that on the importation of certain products to Germany, France would enjoy the same advantages as Italy, for instance. There is therefore no reason why a Control Committee should be created, whose all too extensive powers would only serve to hamper German export and import trade.

² In his telegram No. 105 of September 9, Mr. Robertson stated: 'Your Lordship will no doubt have seen German-Italian agreement of August 28th under which both Governments undertake to facilitate issue of import and export licenses [*sic*] for goods mentioned in four lists annexed. List B contains several articles which can only be regarded as luxuries. This agreement (? seems to) strengthen French case for supervision of German licensing system to prevent discrimination and I imagine all the allies can claim to be treated on an equal footing with Italy under Article No. 264 of Treaty of Peace.' (For a German text of the German-Italian Agreement of August 28, 1921, see Martens, *Recueil de Traites*, 3 ème série, vol. xvi, pp. 245-8.)

No. 695

The Marquess Curzon of Kedleston to Mr. Addison¹ (Berlin)

No. 213 Telegraphic [C 18080/15264/18]

Urgent

FOREIGN OFFICE, *September 13, 1921, 9 p.m.*

1. The German Government accept² an organisation to collaborate with the German authorities in the examination and delivery of licences, with the sole object of ensuring that the anti-discrimination clauses of the treaty are not violated. They ask the allied Governments to send experts with the utmost urgency to Coblenz to settle, in discussion with the competent German authorities, the precise procedure (*modalités*) of this organisation. The German Government are glad to observe that there is no indication in the note of the Supreme Council³ that it is intended that the organisation should be in any way controlled by the Rhineland Commission. If this had been indicated the German Government would have felt obliged to point out that, under the Rhineland Agreement, the powers of the Commission are confined to safeguarding the security, maintenance and requirements of the armies of occupation.

2. There is a misunderstanding as regards that passage in the note of August 26th⁴ which suggests that the question of the proposed organisation can only be settled by negotiation between the German Government and

¹ Lord D'Abernon left Berlin for London on August 31. Mr. Addison was in charge of the Embassy until Lord D'Abernon's return on September 22.

² See No. 696, below.

³ See No. 674, n. 1.

⁴ Enclosure 2 in No. 680.

the allied Governments. The real intention of this passage was to make it clear that, in the opinion of the German Government, the question of procedure (modalités) could only be settled by discussions as indicated above.

3. The German Government agree without reservation to the proposal that all acts done under the sanctions should be regarded as legal and valid.

4. The German Government agree without reservation that the Rhineland Commission should assume such powers as may be necessary during the transition period. The relevant passage in the note of August 26th was based on a misunderstanding. The German Government now understand that the required powers during the transition period merely refer to the winding up of acts done under the sanctions: e.g., the disposal of moneys collected under the customs régime. The German Government have, of course, no desire to question any powers which the Rhineland Commission may require for this purpose in respect of transactions that have taken place up to the date when the customs sanction is removed.

5. In view of the foregoing declaration the German Government confidently expect that the allied Governments will give their representatives at Coblenz the necessary instructions for the cancellation of the customs sanction on September 15th.

No. 696

The Marquess Curzon of Kedleston to Mr. Addison (Berlin)

No. 214 Telegraphic [C 18080/15264/18]

Urgent

FOREIGN OFFICE, *September 13, 1921, 9 p.m.*

In view of uncompromising objections of French Government to the terms in which German Government have accepted the conditions on which Customs Sanction is to be raised, German Chargé d'Affaires was urged to-day to represent to German Government extreme importance of withdrawing reservations contained in their note of August 26th¹ and clearing up the misunderstandings to which it has given rise.

My immediately preceding telegram² contains text which was suggested to him as indication of lines on which German Government would be well advised to frame their communication. He promised to telegraph it immediately and to urge its adoption.

Please reinforce this action.

Repeated to Paris.

¹ Enclosure 2 in No. 680.

² No. 695.

*Mr. Addison (Berlin) to the Marquess Curzon of Kedleston
(Received September 14, 5.30 p.m.)*¹

No. 454 Telegraphic [C 18135/15264/18]

BERLIN, September 14, 1921, 12.22 p.m.

I visited Secretary of State this morning at his request. He read to me telegram from German Ambassador at Paris recording interview yesterday with Berthelot regarding removal of . . .² sanction. Berthelot said that German reply³ to note of Supreme Council was unsatisfactory in that it did not accept unconditionally terms imposed. Note of Supreme Council implied allied authorities must have knowledge of import and export licences before they were issued, and that this implication carried with it stipulation that no licences could be issued without visa of Allied Committee. Necessity to obtain this visa did not however mean that Allies claimed to exercise the power of veto. As an aside, Secretary of State said he was unable to understand precisely what Berthelot meant by this last remark. German Government understood object of Committee to be to supervise generally German license system with sole object of ensuring that there was no (? discrimination) contrary to Peace Treaty. Such supervision could (? perfectly) (? well be) exercised (? by) examination after the event, and represented if necessary to German Government. Submission of licences previous to issue could effect no purpose except that of impeding and delaying commercial transactions, unless it were accompanied by power of veto, which latter condition German Government could not possibly accept. They would prefer continuance of sanctions.

Berthelot added that removal of sanctions and negotiations for establishment of Allied Committee would only be possible if German Government declared in a new note that the fears expressed by them were groundless, that they accepted the French standpoint, and that they relied on being able to convince the Allies in the course of negotiations that (? examination of) licences previous to (? issue) was unpractical and unnecessary. German Ambassador (? refused to) recommend this course to his Government and Secretary of State considers that the French Government thereby meant to trap the German Government into an admission which could be used to prejudice German case subsequently.

Secretary of State said that situation was very serious. It was essential for Chancellor, whose position was far from secure in view of internal situation, to get this question settled before Reichstag re-assembled. He had seen Chancellor this morning, who had requested him to send for me and ask me to communicate his apprehensions to Your Lordship and in doing so to lay stress on absolute necessity of a settlement, which could be presented to Parliament as something gained by policy of compliance with which (? present) Government are identified, and for which in the absence of some material counter gain they are daily finding less support.

¹ A note on the filed copy read: 'Completed 6.15 p.m. September 15th.'

² The text is here uncertain.

³ Enclosure 2 in No. 680.

Secretary of State hinted that German Government would not be unwilling to receive, and would be ready to follow, any advice which His Majesty's Government might be disposed to convey privately to them.

No. 698

*Record by Mr. Waterlow of conversations with the French
Ambassador and the German Chargé d'Affaires*

[C 18001/1109/18]

FOREIGN OFFICE, *September 14, 1921*

The French Ambassador called yesterday to explain why his Government could not admit that the German acceptance is an acceptance within the meaning of the Supreme Council's decision. The main French point, and the only point that matters, is that the Germans say they can only accept an organisation to examine licences after they have been granted,¹ while the text of the Supreme Council's decision describes the organisation as one in which the Germans are to collaborate 'for the examination and delivery of licences'.² To insist on unequivocal acceptance on this point is not unreasonable; and, in any case, unless the Germans can be persuaded to amend their clumsy and stupid reply, we have before us a long and bitter struggle with the French, in which, so far as the present point is concerned, we shall not be on perfectly strong ground.

After consultation with Sir W. Tyrrell I therefore sent for the German Chargé d'Affaires and explained the position frankly to him, examining the several French objections, and, in their light, criticising the German reply sentence by sentence. Could not the German Government, I suggested, save the situation by amending their reply? I thought they would be quite safe in doing so, and on each point I explained why. To repeat the arguments would be tedious, there is so much detail involved; but I appealed to him to adopt them as his personal view and to press them as such on the German Government. Finally I drafted and gave to him the formula of paper 7.³ That formula covers the whole ground, and, if the German Government would approach the allies substantially in that form, it was hard to see how the French could refuse to cancel the sanction. Matters of form were important. It was the insensitiveness of the German temperament in such matters that too often made it difficult for us to carry the French Government along the path of moderation. Could he not insinuate this lesson?

M. Dufour-Feronce promised to act accordingly.⁴

S. P. WATERLOW

¹ A reference was here given to No. 694.

² See Vol. XV, p. 759.

³ See Nos. 695 and 696.

⁴ The record was initialled by Sir W. Tyrrell on September 14. Mr. Waterlow added the same day: 'Lord D'Abernon, to whom I shewed these papers this morning, entirely approves the action taken. He leaves tomorrow by easy stages for Berlin, where he will arrive on September 21. [See No. 695, n. 1.] He feels confident that, if the German Govt. have not adopted the present proposal by then, he will be able to persuade them to do so.' On September 15 Lord Curzon commented: 'I quite approve action taken.'

Mr. Addison (Berlin) to the Marquess Curzon of Kedleston
(Received September 16, 11.50 a.m.)

No. 459 Telegraphic [C 18184/15264/18]

BERLIN, September 15, 1921, 9.20 p.m.

Your telegram No. 214.¹

I saw Secretary of State this morning and spoke to him in the sense of your Lordship's instructions.

Von Simon² and Mutius³ were called in and raised more objections than Secretary of State who appeared to be not so disinclined to accept advice given. German objection is now concentrated on stipulation that allied organisation shall collaborate with German authorities 'in examination of and delivery of licenses [*sic*]'. This they contend will practically mean such French interference as to disorganise completely German trade. All the interests concerned had said that they would prefer continuance of sanctions.

I told Secretary of State that he himself had emphasized how important it was for German Government that these sanctions should be raised. I pointed out that words to which objection was taken should not be divorced from context but should be read in conjunction with the rest of the sentence. Way to handle a question like this was to get most important point settled first.

This was that sanctions should disappear. Safeguards and procedure could be discussed later within framework of general principle accepted. As for statement that a continuance of sanctions was preferred by German business interests to acceptance of allied terms, that was rhetoric on the latter's part, not business.

It was absurd to contend that a general supervision of licenses [*sic*], at whatever moment conducted, would be worse than present customs barrier.

I gathered that impression prevails that Allies must raise economic sanctions soon and that only a few weeks will be gained by giving way. I did what I could to dispel this idea by pointing out that the French Government were determined not to consent to the abolition of these sanctions unless the points in dispute were conceded.

In conclusion Secretary of State promised to see the Chancellor and let me know the result of his interview at once. As above-mentioned, I think he is personally inclined to yield. Opposition comes mainly from expert advisers who are pedantically logical and scrutinize every comma.

French Chargé d'Affaires⁴ came to see me this morning. In reply to his enquiry as to whether I had received any instructions I merely told him that I had been instructed to urge that German Government should accept

¹ No. 696.

² The reference is presumably to Herr von Simson, Director in the German Ministry of Foreign Affairs.

³ Head of Section IIa in the German Ministry of Foreign Affairs, dealing with western European countries.

⁴ Comte R. Doynel de St.-Quentin.

a settlement satisfactory to the allied Powers. French Chargé d’Affaires said that there were too many instances of discrimination against French goods, chiefly in connection with the importation of luxury goods from Austria, for it to be possible for the French Government to give up the right to ensure strict supervision of German licensing system. This attitude confirms German fears to a certain extent but there also appear to be grounds for French complaint that discrimination is being exercised to the detriment of French goods.

No. 700

Mr. Addison (Berlin) to the Marquess Curzon of Kedleston
(Received September 18, 8.30 p.m.)

No. 461 Telegraphic [C 18238/15264/18]

BERLIN, September 17, 1921, 8 p.m.

My telegram No. 459.¹

German Government agree to make communication in the sense desired subject to stipulations explained below. Secretary of State has handed me German text for transmission to your Lordship. This text is a literal translation of text contained in your telegram No. 213² with following slight alterations.

1. After ‘delivery of licenses [*sic*]’ in paragraph one, add ‘for firms in occupied territory’. This is in accordance with allied note.

2. After ‘utmost urgency’ in paragraph one omit words ‘to Coblenz’. German Government would prefer some other place of meeting since Rhine-land Commission are not concerned and they do not therefore wish to mention Coblenz specifically.

3. Omit last words ‘September 15th’ since they are now meaningless.

German Government desire that this reply should be considered as sent in response to request for explanations by His Majesty’s Government and communicated as such by His Majesty’s Government to other Governments concerned.

Great difficulty has been experienced in obtaining assent of Chancellor and Cabinet, and Secretary of State wanted me to make some reassuring declaration with regard to procedure of allied organisation. I said I was not authorised to make any such official statement. Finally Chancellor and Cabinet consented to communication of note as above on condition that your lordship would authorise me to inform Secretary of State privately:—

1. That in opinion of His Majesty’s Government procedure of allied organisation does not imply right of veto, and [*? nor*] that licences must necessarily bear allied visa before issue. German Government point out with some truth that necessity that licenses [*sic*] should be previously approved and right of veto are one and the same thing.

¹ No. 699.

² No. 695.

2. That His Majesty's Government also consider supervision of licensing system by allied organisation will not necessarily imply that names and places of business of licensees must be disclosed.

German Government do not desire to make any public (? use) of this statement but merely to be reassured privately that such are views of His Majesty's Government on these two points with implication that British delegate will uphold them in negotiations.

I should be glad to receive your Lordship's instructions as to whether I am authorised to make a statement to this effect to Secretary of State. Inasmuch as German Government have only sanctioned communication of note on this condition note cannot be considered as being official reply of German Government until this shall have been done.³

³ In his despatch No. 1164 of September 17, not printed, Mr. Addison transmitted the German text of the proposed note.

No. 701

*Mr. Addison (Berlin) to the Marquess Curzon of Kedleston
(Received September 20, 9.30 a.m.)*

No. 462 Telegraphic [C 18378/15264/18]

BERLIN, September 19, 1921, 8 p.m.

My immediately preceding telegram.¹

French Chargé d'Affaires has been to see me and explained that French Government in no way claim right to veto licences, nor do they by previous submission of licences mean that grant is to be delayed pending a decision. What French Government apparently claim is that supervision to prevent discrimination could not be properly exercised without Allied organisation knowing beforehand what was going to be done, and not afterwards what had been done.

This would allow of German authorities being warned in any particular instance that their action would lead to representations, and consequently give them the choice of not committing offence.

With regard to objection raised by German Government to communication of names and places of business of licenses, French Chargé d'Affaires thought this could be met by systematic submission of duplicate licences, merely stating quantities and nature of goods, or by some other means.

I saw Secretary of State this afternoon at his request, and French Chargé d'Affaires had made similar statements to him.

There appears therefore to be agreement on the points raised by German Government, but Herr von Haniel said that Chancellor would still be glad to receive verbal assurance mentioned in my immediately preceding telegram, as this was condition on which Cabinet had agreed to act as suggested by His Majesty's Government.

¹ No. 700.

The Marquess Curzon of Kedleston to Mr. Addison (Berlin)

*No. 216 Telegraphic [C 18238/15264/18]**

FOREIGN OFFICE, *September 20, 1921, 2.20 p.m.*

Your telegram No. 461 of 17th September:¹ Licensing organisation and customs sanction.

While appreciating desire of German Government to safeguard their position, I regret it is impossible to make unequivocal acceptance more palatable to them by giving specific assurances, even privately, on the two points about which they are concerned. Our view is that both these points are questions of 'modalité'. That is to say, the sole object of the committee being to guard against discrimination, it is impossible, and indeed it would be highly incorrect, for us to lay it down in advance that the right of veto is not necessary for this purpose, or that it is not necessary that names and places of business of licensees should be disclosed. These are questions on which, in our opinion, the Allied Governments should be guided by the advice of their experts, who, in accordance with the resolution of the Supreme Council, will meet the German experts and agree upon a scheme *ad referendum*.

When explaining this to the German Government you are authorised to say that *à [sic] priori* I see no reason to suppose that the principle of an organisation to guard against discrimination implies that the International Committee must necessarily have the right of veto; or that it will prove necessary that the Allied visa should be affixed to licences before issue; or that names should be disclosed. The British expert will have general instructions to agree to no machinery in excess of the minimum required for effecting the purpose intended by the Supreme Council, and, should there be divergence of view between the German and other experts, to do everything possible to reconcile it, and to meet the legitimate susceptibilities of the German Government.

No objection to verbal alterations suggested in our text.

If German Government decide to take my advice I cannot agree to communicate the result to the Allied Governments as the reply of the German Government to a request for explanations made by His Majesty's Government. German Government must themselves make their communication to Allied Governments direct. But there would be no objection to their declaring it to have been elicited by a suggestion made by us that they should explain themselves more clearly.

¹ No. 700.

No. 703

Mr. Addison (Berlin) to the Marquess Curzon of Kedleston
(Received September 21, 9.50 p.m.)

No. 463 Telegraphic [C 18449/15264/18]

BERLIN, September 21, 1921, 5.15 p.m.

Your telegram No. 216.¹

Verbal statement made in the sense of second paragraph of your Lordship's telegram together with explanations contained in the first paragraph have been accepted as entirely satisfactory by the Chancellor, who only wished to have something to convince the Cabinet that the German point of view as to the procedure of allied organisation would have full consideration in negotiations of conference of experts.

German Government also accept the suggested method of communication to allied Governments, and text of note is being telegraphed to-day to German Ambassador at Paris with instructions to communicate it to M. Briand. Note will contain statement that it is written in accordance with a suggestion made by His Majesty's Government that German Government should explain themselves more clearly.

¹ No. 702.

No. 704

The Marquess Curzon of Kedleston to Lord D'Abernon (Berlin)

No. 217 Telegraphic [C 18573/15264/18]

Urgent

FOREIGN OFFICE, September 21, 1921, 6.30 p.m.

My telegram No. 216¹ (of September 20th. Customs sanction and organisation).

I have received from French Ambassador text of a communication² which French Government propose that allied Governments should make to German Government answering their note of August 26th³ and summoning them to accept licensing organisation unequivocally. Proposed communication is couched in such terms as must I fear make German acceptance more difficult. Yet it will be difficult for us to withhold our assent if German Government lose much more time in following my advice. They will make grave mistake by delaying further. Please explain this.

Another note received from French Ambassador⁴ makes clear that views

¹ No. 702.

² Of September 21, not printed.

³ Enclosure 2 in No. 680.

⁴ This note of September 19 ran:

'Le Gouvernement français estime que les délégués alliés devraient s'inspirer, dans l'organisation de la commission, des idées suivantes:

'1. Le Gouvernement allemand communiquerait la liste des demandes de licences dont il est saisi, en indiquant les décisions qu'il a l'intention de prendre à leur sujet, permettant

of French Government as to the functions of licensing organisation are not unreasonable. It sketches principles which they think should guide allied experts on much the same lines as those indicated to Mr. Addison by your French colleague.⁵

Both notes go to you by to-day's bag.⁶

ainsi d'apprécier ses acceptations ou ses refus et de connaître les cas de discriminations que les Alliés ont décidé d'éviter.

'2. La procédure d'examen devrait être aussi rapide que possible afin de ne pas causer de gêne au commerce et consister essentiellement dans un droit de regard suffisant pour permettre de formuler les observations éventuelles.

'3. Le délégué allemand ferait connaître également dans le plus rapide délai la suite donnée aux observations de la commission, ceci en vue de faciliter le bon fonctionnement de l'organisme interallié et d'éviter de longues discussions diplomatiques.

'4. Au cas où l'autorité allemande passerait outre aux observations de la commission, celle-ci devrait arrêter d'avance la procédure à suivre pour saisir de ces protestations le Gouvernement allemand, ainsi que les mesures qui pourraient éventuellement être prises pour mettre fin aux discriminations maintenues malgré les observations de la commission.

'5. Dans tous ses actes, la Commission de Surveillance relèverait directement des Gouvernements alliés.'

⁵ See No. 701.

⁶ Despatch No. 937 to Berlin, not printed.

No. 705

Extract from Lord D'Abernon's Diary

[C 19007/416/18]

Private

BERLIN, September 24, 1921

I had a long talk yesterday with Rathenau, who is still most anxious to proceed to London at an early opportunity in order to discuss with English representatives an arrangement analogous to that which he has made with Loucheur.¹ Rathenau fully recognises that deliveries of manufactured goods to England will be unacceptable, and that German deliveries on the competitive world market would give rise to trade hostility. His idea is therefore to deliver goods to Russia and other countries to the South-East of Germany which are largely inaccessible to English producers. Payment for these goods will be made by Russia and the other countries not to Germany, but to England, and this will constitute reparation. Rathenau finds Loucheur easy to deal with and amenable to argument. Loucheur flatters Rathenau and tells him he is a light in the naughty German world.²

The proposed inclusion in the Government of the Volkspartei excites both Rathenau's resentment and his fears. He realises that this combination will considerably diminish his influence, that he will cease to be the principle [*sic*]

¹ See No. 681, n. 1.

² This first paragraph with slight verbal changes is published in D'Abernon, vol. i, pp. 207-8.

financial and industrial adviser to the Government, and also that sooner or later the Volkspartei people, particularly Stresemann who is jealous, will endeavour to get rid of him. He said that Stresemann had behaved disgracefully in attacking Wirth just at the moment when he (Stresemann) was about to join the Coalition.

General Allen, commanding the United States troops at Coblenz, has been here during the last two days, returning from a cruise in the Baltic. I told him the gist of the telegram from Rome³ in which the Italian Government advised England to abandon their own view and accept the French attitude respecting the new Control Commission against discrimination. General Allen was astounded at the Italian impertinence and said that attitude and language were alike incomprehensible. He tells me that Washington are vehemently with England on this subject; his Government had asked his opinion whether it would not be well for the American Authorities to refuse to levy the Customs Duty if France did not give way. He says this is the first time Washington have taken any interest in any question at Coblenz and that he is surprised by their energetic attitude. Allen is strongly in favour of America taking a more active part in the European settlement, believing that this will result in the certain triumph of Anglo-Saxon common sense views. He says that in 19 cases out of 20—without previous collusion—the English and American delegates at Coblenz take the same view. The same rule would obtain in other cases.⁴

As regards the Italian attitude, there is fair evidence that the French—after their check at the Paris Conference—put their hands unwillingly in their pockets and bought over a large section of the Italian Press, and possibly the Foreign Minister with it. The tone changed as if by word of command.

Rosen, whom I saw yesterday, appears pretty confident that the Wirth Government will weather the storm. I do not think he personally much cares whether he remains Minister for Foreign Affairs or goes to some post abroad. I understand that Rosen has a strong supporter in Ebert, the President of the Republic, who has taken a large part in the negotiations for the widening of the Coalition, but who will not hear of Rosen being replaced by Stresemann or anyone else. I advised Rosen to finish up the discussion about the Coblenz discrimination control as rapidly as possible. I held the view that the Germans had made more of the danger of the strictly limited control than was really justified. The main point was to get rid of, at least, one of the March sanctions.

³ No. 393 of September 22, not printed. It is cited in No. 690, n. 4.

⁴ Part of this paragraph is published in D'Abernon, vol. i, p. 208, under the date September 26.

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 532 Telegraphic [C 18573/15264/18]¹

Urgent

FOREIGN OFFICE, *September 25, 1921, 5.55 p.m.*

French Ambassador has intimated² that French Govt. are unwilling to remove customs sanction until we have agreed to instruct British experts [*sic*] on licensing committee to observe four principles which may be summarised as follows:

1. German Govt. to communicate in advance lists of applications with proposed decisions in order that possible discrimination may be watched.
2. Examination by Commission to be as rapid as possible in order not to hamper commerce.
3. German delegate to notify action taken on Commission's observations as rapidly as possible.
4. Latter to settle in advance procedure for communication of protests to German Govt. and eventual measures to stop discriminations, in case German authorities should disregard Commission's observations.

I have replied³ that I object to experts being bound in advance by any form of instructions on what are essentially questions of procedure, but that British expert will be instructed to do nothing contrary to spirit animating above four principles, with which we have already expressed ourselves as in full agreement.

Please urge French Govt. to accept this assurance as satisfactory and to join with us in arranging the removal of sanction without delay.

H.M. representative at Berlin reports⁴ that German Govt., having decided to act on advice contained in my telegrams nos. 213 and 214,⁵ telegraphed text of Note to German Ambassador in Paris on Sept. 21 with instructions to communicate it to M. Briand.⁶

Unless it diverges in any important respect from text suggested by H.M.G.⁷ you should point out that German Government's unequivocal acceptance of conditions laid down by Supreme Council entitles them to expect immediate cancellation of customs sanction, and you should press for (1) notification to German Govt. accordingly, on behalf of the Supreme Council, (2) instructions to French High Commissioner at Coblenz, and (3) invitation to

¹ The approved draft only has been preserved in the Foreign Office archives.

² See No. 704, n. 4.

³ In a Note of September 21, not printed.

⁴ See No. 703.

⁵ Nos. 695 and 696.

⁶ In his despatch No. 2648 of September 24, not printed, Lord Hardinge transmitted a French translation of a German *aide-mémoire* of September 22, to the Conference of Ambassadors, based on the text suggested by His Majesty's Government. The *aide-mémoire* did not, however, contain a statement that it was written in accordance with a suggestion from the British Government that the German Government should explain themselves more clearly.

⁷ See Nos. 695 and 700.

Governments concerned to send experts forthwith to Coblenz, with a view to early establishment of licensing organisation.

It would be well to obtain support of your Belgian and Italian colleagues if possible, but without delaying action for this purpose.

Repeated to Coblenz, Berlin, Rome, Brussels.

No. 707

The Marquess Curzon of Kedleston to the French Ambassador

[C 18573/15264/18]*

FOREIGN OFFICE, *September 26, 1921*

Your Excellency,

In conversation with Sir Eyre Crowe on the 23rd instant, your Excellency indicated that the French Government, while anxious, in view of the general agreement reached between the Allied Governments, and in view of the German Government's acceptance of the conditions laid down by the Supreme Council, that the customs sanction in the occupied territory of Germany should now be removed as soon as possible, were unwilling to proceed to this measure until they had received from His Majesty's Government an assurance that instructions would be given to the British expert on the body charged with the arrangements for the establishment of the licensing control organisation to be guided by the principles laid down in the first four of the points mentioned in your memorandum of the 19th instant.¹

2. As your Excellency is aware, I am in full agreement with the spirit upon which are based the four principles to which the French Government attach importance. It is, however, undesirable, in the view of His Majesty's Government, that the experts, whose duty it will be to settle the procedure of the organisation that is to supervise the German licensing system, should be bound in advance by any particular form of words imposed upon them as instructions. In matters of this kind it seems hazardous to attempt to formulate general principles of procedure, which, in view of local conditions and complexities, may have the effect of giving rise to misunderstandings. In any event, were the French Government to insist that the customs sanction cannot be removed until agreement has been reached between the Allied Governments as to the precise form of the instructions to be given to their experts, I fear that the desire of the French Government to give speedy effect to the German acceptance may be frustrated; since not only will it become necessary for me to consult the technical departments of His Majesty's Government concerned, but negotiations to obtain the concurrence of the Belgian and Italian Governments will also be required. At the same time the French Government may be assured that the British expert will be instructed to agree to nothing which violates the spirit animating the four

¹ See No. 704, n. 4. On the fifth point there was no difference of view—that the Allied members of the Supervisory Committee should be directly responsible to their Governments.

principles in question, and to work in the most cordial co-operation with his French colleagues. I trust that this assurance will be accepted as satisfactory to the French Government, and that they will join with His Majesty's Government in making arrangements for the removal of the customs sanction without delay and for the meeting of the Allied and German experts at Coblenz.

I have, &c.,
CURZON OF KEDLESTON

No. 708

The Marquess Curzon of Kedleston to Colonel Ryan¹ (Coblenz)

No. 86 Telegraphic [C 18784/15264/18]

Immediate

FOREIGN OFFICE, *September 28, 1921, 6.50 p.m.*

French Government are making arrangements for cancellation of Customs sanction as from September 30th.² Please act accordingly.

British expert to discuss licensing supervisory body will be appointed as soon as possible.

¹ Deputy British High Commissioner on the Inter-Allied Rhineland High Commission.

² This information, together with a copy of M. Briand's Note of September 28 to the German Ambassador in Paris, announcing in the name of the Supreme Council the abrogation of the economic sanctions, was communicated to the Foreign Office in a letter of September 28 from M. Roger Cambon of the French Embassy to Mr. Waterlow. (See No. 709, below.)

No. 709

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston

(Received September 29, 3.45 p.m.)

No. 705 Telegraphic [C 18859/15264/18]

Urgent

PARIS, *September 29, 1921, 12.45 p.m.*

Customs sanctions.

Note¹ just received from President of the Council as follows:

French Ambassador in London has been instructed to inform Foreign Office that French Government take act of Your Lordship's assurances regarding complete agreement of two Governments on spirit of four first points of French proposals (see note from French Embassy of September 19th), agreement having already been reached previously on 5th point.² French Government considering that these assurances constitute an unreserved adhesion to principles of sanctions for the purpose of preventing any

¹ This Note of September 28, a copy of which was transmitted to the Foreign Office in Paris despatch No. 2680 of September 29, was in reply to Lord Hardinge's Note of September 26, a copy of which was transmitted in his despatch No. 2672 of September 28. None of these documents is here printed.

² See No. 704, n. 4.

eventual discrimination in case of resistance by German authorities, assume that British experts will receive instructions in this sense with a view to their co-operation with their French colleagues.

Having thus ascertained that agreement is reached between the two Governments and also with Italian and Belgian Governments, who had already declared themselves in agreement with French Government regarding principle of instructions to be given to experts, Monsieur Briand has this morning (September 28th) notified to German Government in name of Supreme Council the withdrawal of economic sanctions as from September 30th, and has asked them to direct their delegates to meet allied experts as soon as possible. The French High Commissioner at Coblenz has been informed of this notification and directed to concert with his colleagues for its execution.

French Government share views of His Majesty's Government on necessity of expediting despatch of experts to Coblenz and are taking necessary steps to this effect in so far as they are concerned.

Copy of note by post.

Repeated to Coblenz and Berlin.

No. 710

Memorandum by Mr. Wigram on recent developments in Reparation

[C 19102/386/18]

FOREIGN OFFICE, *September 29, 1921*

Now that we have received the text of the Loucheur-Rathenau agreement¹ and the record of the Chancellor of the Exchequer's recent interview with M. Doumer,² it may be useful to recapitulate the main developments in the reparation question since the acceptance of the allied ultimatum.

2. There has been on the one hand a punctual execution of those of the German obligations which have already matured under the ultimatum. Thus the first milliard of gold marks has been paid over, the first issue of reparation bonds has been made and the German Government have undertaken to reimburse their exporters for the levies made under the Reparation (Recovery) Act.³

3. In spite of the indications of German good faith thus afforded, distrust in the continued capacity of Germany to pay reparation has of late increased and not diminished. This distrust finds expression in quarters as far apart as Mr. Keynes and the 'Temps'. The reasons for its existence have been explained at length in recent despatches from Berlin. This distrust is not necessarily inconsistent with reports of the great increase in German trade activity since the acceptance of the ultimatum, for this activity, so far as can at present be gauged, is of an unhealthy and temporary character and, as in the case of the similar trade activity which prevailed in Germany in the

¹ See No. 711, n. 1, below.

² No. 691.

³ See Nos. 459 and 495.

summer and early autumn of 1920, has probably only been made possible by the wide but temporary divergence between the internal and external purchasing power of the mark, a divergence which puts German exporters in a temporarily privileged position. When the internal and external purchasing powers of the mark again coincide (which they will do when the mark steadies at however low a rate) this temporary activity will presumably disappear, and the full difficulties of continuing the payments under the ultimatum will become apparent.

4. Connected, as they almost certainly are, with the conditions outlined in the preceding paragraph, the two most recent and perhaps most interesting developments in the reparation question deserve special attention—the refusal of the French to ratify the arrangement of August 13th,⁴ and the conclusion of the Loucheur–Rathenau agreement. These two developments are apt to be regarded as independent of each other. They are apt to be considered as but two fresh indications of the French policy of realizing for French interests all that is possible in Germany before what is said to be the inevitable crash in Germany comes.

5. But they can also be regarded as in very close connection with one another, and, although we are here in the region of conjecture, it would seem unwise entirely to ignore the possibility of this connection. The French objection to the August arrangement is ostensibly based (as M. Doumer has explained) on the French failure to obtain a share of the first milliard of gold marks, of which, (the French having already received their share of the costs of the armies of occupation out of deliveries in kind, Saar mines etc.) 450 millions are to be set off (in continuation of the arrangements made in the treaty and at Spa) against the British share of the costs of the armies of occupation and the remaining 550 millions against the Belgian priority. M. Doumer's counter proposal that we should abandon this arrangement and recoup ourselves for the expenses of occupation out of the paper marks produced by the sale of war material by the German Government appears so manifestly absurd in view of the difficulty of realizing the paper marks thus acquired, that it is difficult to take it seriously. It does not therefore seem too much to conclude that M. Doumer never in fact expected us to accept his proposal, and that he is only using it to hold up the ratification of the August arrangement with a view to making French consent to its ratification conditional upon British consent to the Loucheur–Rathenau agreement, when the time for obtaining that consent matures.

6. Whether or not this interpretation of French policy is correct, it is clear that the conclusion of the Loucheur–Rathenau agreement marks a new and important stage in the history of reparation. The French Government appear at last to have concluded that French public opinion is ripe for the abandonment of the long continued 'make-believe' policy of vast reparation payments and to have decided that, as persistence in this policy must sooner or later be abandoned unless there is to be financial chaos in Germany and, or even in the alternative, extremely unpleasant reactions in France, they can therefore

⁴ See No. 670.

now effect a silent and politic change of front and substitute, in the immediate future at any rate, the very mild and practical policy of obtaining German cooperation in the reconstruction of the devastated areas.

7. However unfavourably therefore we may regard the details of the Loucheur–Rathenau agreement, it is well to remember that it is, in some sense, an unexpectedly favourable development in the policy at which we have ourselves consistently aimed, the policy of exacting from Germany reasonable and not unreasonable reparation. The agreement in its present form certainly appears to give the French a priority in reparation which finds no support in the treaty. It appears also to impose on Germany during the next few years a burden additional to that contemplated under the ultimatum. But does not this latter fact itself—the character of the agreement which is, ostensibly at least, unfavourable to German interests—lend force to the theory that the French Government have given the German Government some assurance that France is ready to adopt at last a reparation policy which is in accordance with German capacity to pay.

No. 711

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received October 1, 12.10 p.m.)

No. 469 Telegraphic [C 18937/386/18]

BERLIN, September 30, 1921, 8.15 p.m.

Doctor Rathenau called on me yesterday and discussed Wiesbaden draft agreement. This has not yet been approved by German Government but probably will be accepted by Cabinet in next few days and signed on October 8th at Wiesbaden.¹ Opinion is by no means unanimous in its favour and opposition will probably increase when clause, regarding crediting to Germany in reparation account only 35% or 45% of her building deliveries, is fully known. So far it has not been mentioned in public declarations by either Loucheur or Rathenau.

I drew Rathenau's attention to unfavourable character of this clause. He replied that he had fought vigorously against it: if I thought present terms hard what should I have thought of original French proposal?² I also drew attention to fact that concessions granted constituted something like *a priori* privilege for France, and might be held to be detrimental to interests of other creditors. He replied in his view, essential point was to substitute deliveries in kind for deliveries in gold: a beginning must be made with one creditor and only practical beginning was with France: his firm intention was to make analagous agreements with England and other creditors.

¹ For the text, see Cmd. 1547 of 1921.

² For some details of the negotiations, see L. Loucheur, *op. cit.*, pp. 85–93.

As previously stated³ he was most anxious to negotiate on similar lines with England and would proceed at once to London if invited. There was no idea of any preference. He hoped that nothing would be done which would retard signature. As agreement had to be accepted by Reparation Commission (this being specifically stated in text) position of other creditor countries was not compromised by signature.

Rathenau is evidently most anxious that scheme should be allowed to proceed.

I request instructions as to what language to hold if consulted by Chancellor or Government as to their policy. Also whether it would be desirable for Rathenau to proceed to London either now or a little later.

My own view is that principle of transmuting gold deliveries into deliveries in kind is sound; that it would diminish tension all round if Germany and France came to some agreement. Further that Loucheur, though he has almost forced a leonine contract in this case, represents saner policy of France as opposed to militaristic.

On the other hand we must make fullest reserves regarding our own rights and those of other creditors. Whole matter must, therefore, be frankly and fully revised by Reparation Commission pending whose report we reserve our judgment.⁴

³ See No. 705.

⁴ In his letter of October 6 to the Treasury, Lord Curzon enclosed a copy of this telegram and gave an account of Lord D'Abernon's conversation of September 23 with Dr. Rathenau (see No. 705, paragraph 1).

No. 712

The Marquess Curzon of Kedleston to Colonel Ryan (Coblentz)

No. 88 Telegraphic [C 18853/15264/18]

FOREIGN OFFICE, *October 6, 1921, 7 p.m.*

My despatch No. 167¹ (of October 3rd. Licensing organisation).

British experts, while doing everything possible to co-operate cordially with their colleagues and to observe spirit of the correspondence enclosed in my above-mentioned despatch, should be careful to agree to no machinery in excess of minimum required as safeguard against discrimination.

Should, for instance, any delegation insist on arrangements for imposing fresh sanctions on Germans, British representative should not agree pending reference home for instructions.

Copied to Paris by bag No. 561, Brussels No. 124 and Berlin No. 222.

¹ This despatch, not printed, transmitted, 'for the information and guidance of the British experts who are to discuss the licensing arrangements resulting from the abandonment of the economic sanction', copies of the French Ambassador's Note of September 19 to Lord Curzon (see No. 704, n. 4), Lord Curzon's reply of September 26 (No. 707), and a Board of Trade letter of September 26, not printed.

No. 713

The Marquess Curzon of Kedleston to Sir G. Grahame (Brussels)

No. 715 [C 18973/416/18]

FOREIGN OFFICE, October 6, 1921

Sir,

With reference to your telegram No. 160 of September 9th¹ in regard to the Loucheur–Rathenau agreement,² I request that you will inform the Belgian Minister for Foreign Affairs that His Majesty's Government would prefer to avoid making any detailed comment upon this agreement until they are in possession of a final and authoritative text.

2. Generally speaking His Majesty's Government would welcome an agreement between the French and German governments for the purpose of the restoration of the devastated areas as affording the most hopeful means of placing the reparation question on a more satisfactory basis. It appears however that the draft of the Loucheur–Rathenau agreement as presented to the Reparation Commission by the French delegate will need some modification, if it is to be brought into accord with the terms of the treaty and of the schedule of payments,³ and that it will require the consent of the commission and of the allied governments. The main points to be considered by the latter appear to be:

(a) the effect of the agreement upon the capacity of the German government to make the payments provided for by the 'schedule of payments', and (b) the effect of the agreement in securing for the French Government a priority over the other allies entitled to reparation and not accorded to the French government by the treaty or by the subsequent allied agreements.

I am, &c.,

(For the Secretary of State)

CHARLES TUFTON

¹ In this telegram, not printed, Sir G. Grahame reported that the Belgian Minister for Foreign Affairs favoured the Loucheur–Rathenau negotiations.

² See No. 711, n. 1.

³ Of May 5. (See No. 638, n. 1, and No. 645, n. 3.)

No. 714

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston

(Received October 8, 1.30 p.m.)

No. 479 Telegraphic [C 19357/416/18]

BERLIN, October 7, 1921, 7.40 p.m.

Wiesbaden.

Following the interviews reported in my telegrams 431 and 469¹ in which Rathenau declared on behalf of German Government that he proposed at once to negotiate similar agreements with other creditors, I suggested such

¹ Nos. 677 and 711.

negotiations might be commenced at once. They might be conducted in London if you think well or through Embassy at Berlin if Rathenau's visit to London is now inconvenient. Or they might be begun here and concluded in London. On the question of our general attitude on this question I rather favour levelling ourselves up, instead of paring down the French advantages accruing under Wiesbaden agreement.

If required, however, destructive criticism of the latter is quite easy.

Policy of levelling up or compensation would be less invidious than the alternative course and possibly more (? conducive) to general reparation and appeasement.

It might be well to subordinate our acceptance of Wiesbaden to a definite understanding of this nature, though perhaps not to (? surrender) (? hopes of) agreement.

No. 715

*Colonel Ryan (Coblentz) to the Marquess Curzon of Kedleston
(Received October 8, 9 a.m.)*

No. 116 Telegraphic [C 19326/15264/18]

Urgent

COBLENTZ, October 7, 1921, 8 p.m.

Your telegram No. 88.¹

French have made strong demands but have withdrawn many objectionable points. They still insist, in case of German Government refusing redress after unanimous protest from Inter-allied Committee latter should be authorised to exercise rights of suspension and redress by ordering German delegation here to carry out Inter-allied Commissioners' decision immediately.

If these orders were not obeyed allied Governments would have the right to instruct their representatives here to resume control of import and export licensing and Germans would be required to bind themselves now to accept this sanction. They base their demand on latter portion of paragraph 4 of French note of September 19th,² which they interpret as meaning that action in these cases is to be taken by Committee itself.

French expert is under the impression that British Government has accepted French point of view.³ British and American experts do not accept French view because they consider that Inter-allied Committee could not enforce its decisions.

Further, if discrimination were definitely established and should German Government refuse redress, resulting situation would only be dealt with by Governments therefore no mention of a specific sanction should be made in present agreement.

I await your Lordship's instructions. Italian delegate has actively supported French demands.

Repeated to Paris No. 34, Berlin No. 13 and Brussels.

¹ No. 712.

² See No. 704, n. 4.

³ See No. 706.

No. 716

Colonel Ryan (Coblentz) to the Marquess Curzon of Kedleston
(Received October 8, 2.35 p.m.)

No. 117 Telegraphic [C 19353/15264/18]

Urgent

COBLENZ, October 8, 1921, 12.50 p.m.

My telegram No. 116.¹

French experts have now withdrawn stipulation that if the Commissioners' orders are not obeyed, allied Governments would have the right to instruct their representatives here to resume control of import and export licensing. They propose instead that allied Governments would have the right to impose such sanction as they might consider necessary, Germany recognising legality of such an act.

Repeated to Paris No. 35, Berlin No. 14 and Brussels.

¹ No. 715.

No. 717

The Marquess Curzon of Kedleston to Colonel Ryan (Coblentz)

No. 89 Telegraphic [C 19326/15264/18]

FOREIGN OFFICE, October 10, 1921, 10 p.m.

Your telegram No. 116¹ (of October 7th; licensing organisation).

Proper function of supervisory body is to devise machinery to prevent discrimination on Germany's part. To provide in advance specifically and definitely for reimposition of sanctions on Germany in case of such discrimination would in our opinion go beyond what is advisable.

Procedure which His Majesty's Government favour would be that Commission, if met by German refusal to discontinue discrimination, should refer to allied Governments with whom alone should rest ultimate decision as to imposition of sanctions suitable to meet particular case, or as to any other steps considered appropriate.

We cannot agree to a course which would tie hands of Allies in advance on a matter which would involve political issues of gravest importance.

Addressed to Coblentz No. 89. Repeated to Berlin No. 227.

¹ No. 715.

No. 718

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received October 12, 10.15 a.m.)

No. 484 Telegraphic [C 19575/416/18]

BERLIN, October 11, 1921, 8.45 p.m.

French Ambassador called on me this evening and said that Rathenau had been to him this morning in a condition which he described as at once

excited and depressed. He had refused to discuss Wiesbaden¹ and had said 'that is all past we are in a much graver crisis now. Cabinet must resign otherwise it will be hounded out by Reichstag directly it meets. All improvement in the situation which has been achieved will be lost. You will have an extreme Government from the Left followed by an extreme Government from the Right'.

French Ambassador says he endeavoured to calm Rathenau and used obvious arguments namely that it was foolish to take any violent decision until it was known precisely what Geneva had decided.²

Rathenau had protested against Czechoslovakian being chosen as expert³ and had said 'no one is deceived by pretext that he went to Paris in order to see his cousin. We know very well what he went for', but French Ambassador would not allow him to make any imputations on good faith of M. Briand.

¹ The Loucheur-Rathenau, or Wiesbaden, Agreement, see No. 681, n. 1, and No. 711, n. 1.

² i.e. the recommendations of the League of Nations on the partition of Upper Silesia which were announced on October 12, see No. 329.

³ M. Hodacz, see No. 316, n. 2, and No. 323.

No. 719

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received October 13, 8.55 a.m.)

No. 484 [?485]¹ *Telegraphic* [C 19601/416/18]

BERLIN, October 12, 1921, 8.15 p.m.

There is slightly less excitement in Ministerial circles but on the other hand there is something like a panic in exchange markets.

Council of Ministers has been sitting continuously through the day. They have decided to postpone their resignation until precise text of Geneva decision² has been communicated to them and there seems to be a tendency to replace intended resignation by a declaration to the world that essential conditions of task of fulfilment are profoundly modified. This change of tone is caused in part by discovery that People's Party instead of wishing to turn them out are still prepared to join a coalition if certain difficulties are overcome. Whole position is very complicated and changes from hour to hour but above represents what I believe to be fairly correct summary of prevailing tendencies.

¹ This telegram appears to have been numbered incorrectly, see No. 718.

² See No. 718, n. 2.

No. 720

The Marquess Curzon of Kedleston to Lord D'Abernon (Berlin)

No. 230 Telegraphic [C 19505/416/18]

FOREIGN OFFICE, *October 13, 1921, 10 p.m.*

Your telegram No. 469 (of September 30th).¹

Views of His Majesty's Government on Loucheur-Rathenau agreement remain as generally stated in my despatch No. 715 to Brussels (of October 6th).² But until report of Reparation Commission is received I agree that it is better to reserve judgment and that it would be premature to express a definite opinion.

There is no objection to your making a general statement to Herr Rathenau on these lines, and you could at the same time explain that, in these circumstances, no useful purpose would be served by his visiting London at the moment.³

¹ No. 711.

² No. 713.

³ In his despatch No. 1236 of October 14, Lord D'Abernon reported that he had made 'a general statement on the lines indicated both to Dr. Rathenau and to Dr. Rosen'.

No. 721

The Marquess Curzon of Kedleston to Colonel Ryan (Coblentz)

No. 92 Telegraphic [C 19663/15264/18]

FOREIGN OFFICE, *October 14, 1921, 9.30 p.m.*

French Embassy inform us that provisional agreement concerning licensing commission's instructions has now been reached between you and French High Commissioner at Coblentz and that, after stipulation reported in last sentence of your telegram No. 117¹ (of October 6th [8th]) it is now proposed to include a proviso empowering commission to submit concrete proposals for this purpose.

I presume French Embassy statement is correct, and that you are sending text of instructions agreed to by despatch.

Please reply by telegraph.

¹ No. 716.

No. 722

*Colonel Ryan (Coblentz) to the Marquess Curzon of Kedleston
(Received October 16, 3 p.m.)*

No. 119 Telegraphic [C 19784/15264/18]

Your telegram No. 92.¹

COBLENZ, *October 15, 1921, 6.30 p.m.*

Statement of French Embassy concerning provisional agreement between French High Commissioner and myself is devoid of any foundation. It

¹ No. 721.

appeared yesterday that deadlock had been reached but to-day French experts have given way and it appears probable that complete agreement will be reached almost immediately on the lines desired by His Majesty's Government.

Text of agreement will be sent as soon as finally approved.

No. 723

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received October 25)

No. 1256 [C 20377/508/18]

BERLIN, October 19, 1921

My Lord,

During the last few weeks the German Government has been looking about everywhere for a loan of 50 millions sterling, with which to carry on between the 15th January next and the following autumn. They hold the view that with this assistance they can meet all reparation demands up to September 1922. Beyond that date they do not anticipate that they can continue to pay their way unless they then obtain a further advance, or unless, as they hope, public opinion in *Entente* countries has by then so matured on the reparation question that a new settlement on a more moderate basis can be negotiated.

In connection with the above attempt to obtain a loan they have been in telegraphic and personal communication with different firms in London, Amsterdam and New York. A member of the firm of Messrs. N. M. Rothschild and Sons, London, has been here during the last few days. He informs me that the German Government has given him all facilities for ascertaining the real position—has been frank as to the prospects, and has shown a disposition to furnish all available guarantees. Germany would be prepared notably to arrange a guarantee for service or repayment of the loan from the large industrial firms in Germany, such as Messrs. Krupp, the A.E.G.,¹ and possibly the large banks.

In the course of the conversations which have taken place with financiers—for they cannot be called negotiations—the question arose whether the Reparation Commission would agree to grant absolute priority over all reparation in favour of the service of the proposed loan. It would, of course, be understood that the whole capital produce of the loan would be paid to the Reparation Commission.

I understand that the Rothschild representative proposes to pass through Paris on his way back to London, and will discuss the matter informally with Sir John Bradbury. As the subject concerns primarily the Reparation Commission I leave it to Sir John Bradbury to inform His Majesty's Government more amply on the subject.

I have, &c.,
D'ABERNON

¹ Allgemeine Elektrizitäts-Gesellschaft.

Colonel Ryan (Coblenz) to the Marquess Curzon of Kedleston
(Received October 24)

No. 420 [C 20182/15264/18]

COBLENZ, October 19, 1921

My Lord,

1. With reference to my telegram No. 119,¹ I have the honour to forward to Your Lordship herewith the French text of the Draft Agreement² with

¹ No. 722.

² Not printed. The English text of the Draft Agreement was transmitted in Coblenz despatch No. 423 of October 22 and ran as follows:

'Final Text of the Articles of the Draft Agreement adopted by the Committee of Experts in the course of its 3rd Meeting held on the 6th October 1921

'Draft Agreement between the Representatives of Belgium, France, Great Britain, Italy, the United States of America and Germany, regarding the constitution and working of a body charged with the duty of collaborating in the examination and issue of import and export licences for the Occupied Rhineland Territories, in order to ascertain whether the application of the German economic system in those Territories does not involve discrimination contrary to articles 264-267 of the Peace Treaty.

'In pursuance of the resolution of the Supreme Council, dated 13th August, 1921, the Representatives of BELGIUM, FRANCE, GREAT BRITAIN, ITALY, the UNITED STATES OF AMERICA and GERMANY, have agreed upon the following provisions:

ARTICLE 1

'There shall be established, under the name of the 'Inter-Allied Commission for the Supervision of Licences,' an Inter-Allied body which shall collaborate with the competent German Authorities in the examination and issue of licences for the import and export of goods to and from firms in the Occupied Rhineland Territories as defined by the Treaty of Versailles. This body is hereinafter referred to as the "Licensing Commission."

ARTICLE 2

'The sole object of the Licensing Commission shall be to satisfy itself that the working of the German economic system does not result, in so far as the Occupied Rhineland Territories are concerned, in discrimination contrary to the provisions of Articles 264-267 of the Treaty of Peace.

ARTICLE 3

'The Licensing Commission shall consist of one Representative of Belgium, France, Great Britain, Italy and the United States of America, respectively.

Each Representative shall be assisted by a Deputy.

The Licensing Commission shall be assisted by officials and employees necessary for the working of the department.

No Representative shall take action in communication with the German Authorities unless authorised by the Licensing Commission so to do.

ARTICLE 4

'The Licensing Commission shall be directly subordinate to the Allied Governments.

The Members of the Commission, as well as the Allied personnel attached to it, shall enjoy, in the Occupied Rhineland Territories, the same privileges and benefits as are granted to the personnel attached to the Inter-Allied Rhineland High Commission.

regard to the organisation and duties of the body to collaborate in the examination and delivery of import and export licenses [*sic*], which is to be set up by the decision of the Supreme Council dated August 13. The French Expert is in agreement with these provisions subject to the approval of the French Government. At the moment of writing this despatch this approval

ARTICLE 5

'The seat of the Licensing Commission shall be at Coblenz.

ARTICLE 6

'The German Government shall appoint a Representative in the Occupied Territories who shall collaborate with the Licensing Commission in accordance with the terms of this Agreement, and who shall have under his authority all the German executive departments charged with the examination and issue of import and export licences in the Occupied Territories.

The Delegation of the German Government shall reside at Coblenz, and all the executive services shall be centralised at [*In this and in subsequent articles, the omitted place-name is indicated by a gap in the original.*]

ARTICLE 7

'Licences for goods subject to import or export restrictions, to be consigned to or from the Occupied Territories, will only be issued through the department at The departments or offices in non-Occupied Germany charged with the issue of licences shall not grant any licences for the above-mentioned goods, and shall forward all applications which they may receive in respect thereof to the department at

Conversely, the department at shall not be competent to grant import or export licences for goods consigned to, or despatched from, non-Occupied Germany; all applications which they may receive in respect of such goods shall be forwarded to the competent departments or offices in non-Occupied Germany.

ARTICLE 8

'The German Government undertakes to forbid the clearance by the Customs Authorities in the Occupied Territories of all goods subject to import or export restrictions which shall not be accompanied by licences issued by the department at Goods covered by licences issued by offices in Unoccupied Germany shall not be cleared by the Customs Authorities in the Occupied Territories.

ARTICLE 9

(a) The German Government undertakes to communicate to the Licensing Commission during the last ten days of each month the total amount of goods subject in Germany to import or export restrictions for which it proposes to grant import or export licences during the following month. The description of such goods shall be accompanied by the corresponding number in the Customs Tariff.

The German Government shall also inform the Commission, in respect of each commodity, what percentage of imports and exports it intends to allot to the Occupied Territories.

The Licensing Commission, may, through the German Delegation, require the German Government to revise such percentage with regard to Articles 264-267 of the Peace Treaty.

(b) The German department at shall issue import and export licences for goods mentioned in Article 7 hereof to not less than the amounts so fixed, in so far as applications for the same shall be made.

(c) The German Government undertakes to communicate to the Licensing Commission within a period of monthly statistics, both as regards the Occupied Territories and the rest of Germany, of imports and exports actually effected of goods subject to import or export restrictions, together with monthly statistics of licences issued.

has not been received but there is reason to believe that the French Government will confirm the provisional consent given by its delegate. Owing to the pressure of time it has not been possible to complete the English text of the Agreement. This will be forwarded as soon as ready.

(d) The German department at shall transmit every day to the Licensing Commission a list of applications for licences which they shall have received, and a list of applications upon which they are prepared to make a decision, indicating the nature of such decision.

The Licensing Commission shall have such lists examined immediately and shall inform the German delegation at the latest within forty-eight hours of the decisions in respect of which it is in agreement with the delegation. Such decisions shall be put into effect without subsequent modification on the part of the German department.

Questions upon which the two parties disagree shall be examined by the Licensing Commission and the German Delegation in joint session who will endeavour to arrive at an amicable settlement.

If an agreement cannot be reached, the Licensing Commission will forward officially its observations to the German Delegation.

The latter may, subject to the terms of this agreement, disregard such observations.

In all cases the German Delegation shall communicate in writing to the Licensing Commission, within a period not exceeding 8 days, the action it has taken with regard to such observations of the Licensing Commission.

(e) If a detailed examination of the lists over a certain period shows discrimination contrary to the provisions of Articles 264-267 of the Treaty of Versailles, the Licensing Commission shall be entitled to submit observations to the German delegation and to demand the redressing of the discrimination in question. The German Delegation shall make known, within a period not exceeding 8 days, what action it shall have taken in regard to such observations of the Licensing Commission.

(f) The German Government shall allow the Licensing Commission to inspect at all times all documents and statistics of the German Department which it may consider necessary for the fulfilment of its duties.

(g) All changes in German laws and regulations relating to imports and exports shall be brought to the notice of the Licensing Commission by the German Delegation at the time of their application in the Occupied Territories.

If such changes shall appear to be, either in letter or in spirit, of such a nature as to cause discrimination contrary to the provisions of Articles 264-267 of the Treaty of Versailles, the Licensing Commission shall forward its observations to the German Delegation and inform the respective Governments.

ARTICLE 10

(a) If any discrimination contrary to the provisions of Articles 264-267 of the Treaty of Versailles shall have been established by the Licensing Commission, and if the German Delegation has not within a reasonable period, to be fixed by the Commission in each case, complied with the observations submitted by the Licensing Commission according to the procedure laid down in Article 9, the Licensing Commission may address a protest to the German Government, in the form of a joint note signed by all its members, formulating the measures which should be taken in order to stop the discrimination which shall have been proved, and to redress the latter.

At the same time the Licensing Commission shall send a copy of its protest to the German Delegation. The latter shall issue at once to the Commission, by way of security, a licence in the name of the injured party, for the amount of goods to the extent of which the discrimination has been established.

The German Government shall notify its reply to the Commission within fifteen days. On expiry of this period, if the reply does not give satisfaction, the Commission may make

I also have the honour to forward a report³ on the Draft Agreement drawn up by the British members of the Committee of Experts.

The German Experts have been asked to meet the Allied Experts on the 24th instant to discuss the Agreement.

2. Owing to the far-reaching demands put forward by the French Expert, negotiations have been difficult and protracted. The Italian delegate has, to a very considerable extent, supported the French views, while the American Expert has actively taken the side of our Experts who have also received considerable support from the Belgian Expert. The role of the latter, while supporting our views, has been that of conciliator in the wide differences existing between the British and French views, and it is largely owing to his action that an agreement is now in sight.

Whether as a result of misunderstanding or as a tactical move, the French Expert repeatedly endeavoured to convey to the British Experts that the French point of view had been accepted by His Majesty's Government. A similar misapprehension appears to have existed at the French Embassy at London, as communicated to me in Your Lordship's telegram No. 92.⁴ I am at a loss to understand how this misunderstanding could have arisen. My only conversation on this matter with the French High Commissioner was to express to him my surprise at the far-reaching demands put forward by the French Expert, demands which appeared to me to go far beyond the conditions which were submitted to His Majesty's Government by the French Government, and which were accepted in principle by the former. The only other occasion on which I expressed any views on this matter was in an unofficial conversation with the French Expert, when I informed him

use, for the benefit of the injured party, of the licence issued by way of security. In such a case the licence shall be signed by all the members of the Licensing Commission.

Further, whenever the Commission shall establish the fact that the German Government has not taken satisfactory measures with regard to the protests submitted by the Licensing Commission, the latter shall notify the Governments represented on it, and shall formulate proposals with regard to suitable measures, punitive or other, which these Governments will be justified in taking in order to stop discrimination persisted in notwithstanding the observations of the Commission.

The Allied and Associated Governments represented on the Licensing Commission reserve for themselves the right to deal through diplomatic channels with such cases as shall not have been settled by the Licensing Commission.

ARTICLE 11

The expenses arising from the payment of the members of the Licensing Commission and its personnel, and from the working and housing of the Licensing Commission shall be borne by Germany.

The Licensing Commission and the Representatives of the German Government will meet periodically or as need shall arise, in order to take, by common consent, decisions of principle concerning the application of this Agreement and all details regarding the organisation of the Department.

ARTICLE 12

This Agreement shall enter into effect as from

³ The Enclosure below.

⁴ No. 721.

on broad lines of the principles which in the opinion of His Majesty's Government should form the basis of the Agreement.

3. From the technical point of view I am not competent to express an opinion on the provisions of the Agreement but I believe that the German Government will have no grave objections to raise either in regard to the principles which underlie it or to its details.

I am not quite clear however as to the exact significance attached by the French Expert to the word 'fondé' in the fifth [? fourth]⁵ paragraph of Article 10. If by this the French intend that the German Government is to recognise as legal any punitive measures taken by the Allied Governments for infractions of Articles 264/267 of the Treaty of Versailles, it may well be that the German Government will object. On the other hand if this paragraph is merely intended as a menace, warning Germany that action may be taken by the Allied Governments in the event of infractions of Articles 264-267 of the Treaty of Versailles, no valid objection can be raised. The exact significance of these words will no doubt be made clear when the discussion with the German Experts takes place.

I would venture to point out to Your Lordship that this point is one of form rather than one of practical importance. By the provisions of Article 10 a statement to the effect that discrimination has taken place and a recommendation for action to be taken must be made by unanimous decision of the Commission. The attitude adopted by each individual member will depend upon the instructions he receives from his Government.

I have, &c.,
R. S. RYAN

⁵ The French text here read: '... que ces gouvernements seront fondés à prendre pour mettre fin aux discriminations maintenues malgré les observations de la Commission.'

ENCLOSURE IN No. 724

Report of the British Members of the Committee of Experts appointed under the decision of the Supreme Council dated August 13, 1921

October 18, 1921

In submitting for transmission to H.M.G. the draft Agreement which the Committee of Experts propose to discuss with the Germans at an early date, the British Members make the following observations.

The Committee of Experts held several meetings immediately after its appointment. The French Member insisted that these meetings should be unofficial, as he was without instructions from his Government, the German Government not having accepted the conditions upon which the raising of the Sanctions depended. The first official meeting was held on September 1, 1921, with the Commendatore dell'Abbadessa, the Italian Expert, in the chair.

Throughout the discussions on the proposed Agreement with the Germans, the French Member has endeavoured to obtain the acceptance by his

colleagues of articles drawn in such a way as to permit the new Allied body to give definite orders to the German Authorities failing which the Allied Authorities would resume complete control of the German licensing system. These orders were to be given to the 'competent German authorities in Occupied Territory' (not to the German licensing authorities). In the light of previous experience, it may be assumed that an agreement on these lines would have been interpreted in such a way as to permit of a continual interference far beyond anything contemplated by the British Government. A new Inter-Allied body set up under these conditions and working in close conjunction with the French Department of the High Commission, with the French Army, Economic Sections, Banks, etc., could have exercised an enormous political influence, and any failure to comply with its wishes would have resulted almost automatically in the imposition of a fresh sanction on Germany, to the precise nature of which His Majesty's Government would have been committed beforehand.

Acting on the instructions which they had received, the British members refused to accept any proposal enabling the new Inter-Allied organisation to do more than report to the Allied Governments that cases of discrimination had occurred for such action as the Governments might consider necessary. The draft agreement finally adopted by the Committee provides, in Article 10, that if the observations made to the local German delegation by the Commission should produce no effect, a formal protest signed by all the members of the Commission would be made to the German Government. At the same time the German delegation in the Occupied Territory would be required to issue immediately to the Commission, as a guarantee, a license, in the name of the firm against whom discrimination had been used, for the quantity of goods in question. If the German Government should fail to make a satisfactory reply within 15 days, the Commission would be empowered to hand the license over to the firm. As a safeguard, the license, in order to be valid, would require to be countersigned by all the members of the Commission. By this arrangement the action of the Committee has been limited strictly to its own sphere, and it will not be possible for it to bring pressure to bear upon any German authorities except those strictly concerned with the issue of licenses.

On this vital question our French colleague during the sittings of the Expert Committee repeatedly endeavoured to convey to us the impression that the French point of view had been accepted by the British Government as a result of representations made by the French Ambassador in London.

The French, Belgian and American members of the new Commission will be officers of the High Commission. It is possible that Commendatore dell'Abbadessa, who has represented the Italian Government in Coblenz during the period of the Sanctions, will be the Italian member of the new organisation. For these reasons it was not possible for the British members to resist the proposal that the new body should sit in Coblenz and that the German delegation should also be here. This solution was, however, only accepted on condition that the Germans would be allowed to move the Licensing

Office from Bad Ems (whither it was transferred from Cologne by order of the High Commission during the period of the Sanctions), to any place which might suit them best. It may be assumed that the Germans will choose Cologne.

Considerable difficulty was caused by the use of the words 'licenses [*sic*] for the importation and exportation of goods to and from firms in the Occupied Territory in Germany' in paragraph II (a) of the Decision of the Supreme Council of 13th August. The French member wished to adopt a fixed contingent for the Occupied Territory. This was not accepted by the Committee. It was, however, necessary to take precautions to prevent the German authorities from making the new arrangement absolutely useless by refusing all licenses for the Occupied Territory. Article IX as finally drafted, therefore, provides that the German Government shall inform the Commission monthly of the quantities which they propose to allot to the Occupied Territory; that they shall actually issue licenses for these quantities as far as they may be demanded, and that the Commission shall have the right to demand the revision of the percentage providing they consider that it would cause discrimination contrary to Articles 264-267 of the Treaty. The British members were able to carry their point that goods 'to and from firms in the Occupied Territory' were goods 'to be cleared at the customs in the Occupied Territory'.

The British, French, American and Belgian members stated that their Governments would not ask for any remuneration for their respective members of the new Allied Commission, but that they would only expect the German authorities to set aside such portion of the fees received for the issue of licenses as would cover the expense of the very small staff required. This declaration caused great consternation in the Italian delegation, which throughout has worked hard for the setting-up of a large and expensive organisation.

The German authorities have asked for five days' notice to be given of the date of meeting between the Committee of Experts and the German representatives. It is hoped that a meeting will take place on the 24th of October, 1921.

Mr. Wills of the Board of Trade attended the preliminary meetings, and Mr. C. J. Kavanagh, Commercial Secretary at Cologne, was associated with us in the final negotiations.

E. R. TROUGHTON
W. C. H. M. GEORGI

No. 725

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received October 23, 10 a.m.)

No. 494 Telegraphic [C 20157/416/18]

Urgent

BERLIN, October 22, 1921, 10.35 p.m.

Wirth Government resigned this afternoon.

Nothing is certain regarding their successors.

Various parties have been in almost continuous session for the last forty-

eight hours, but nothing definite will be settled until full debate in the Reichstag which commences Monday.¹

Prevailing note is nervous strain and deep depression caused mainly by Geneva decision² regarding Upper Silesian frontier, a condition which economic safeguards have not so far relieved.

¹ i.e. October 24.

² See No. 718, n. 2.

No. 726

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received October 31)

No. 1270 [C 20687/20687/18]

BERLIN, October 23, 1921

My Lord Marquess,

I have the honour to enclose a note from the Commercial Secretary of this Embassy which suggests that England should forego a part of her Reparation claims on Germany in return for Germany giving England a portion of her foreign orders for goods, or, alternatively, in return for Germany modifying her present foreign trade control system.

While I do not entertain any exaggerated views regarding the probability of payment of reparation by Germany to England, I should be somewhat unwilling to pay Germany in order to induce her to make trade arrangements between her export houses and British export houses. Germany can undoubtedly at the present moment undercut England in almost all branches, but there is a general feeling in Germany that they require English support and English prestige. I believe, therefore, that trade agreements for dividing orders in many countries could be arrived at without the sacrifice on our part of any part of our reparation claims.

In this connection Mr. Thelwall, with whom I have discussed the question, is of opinion that it might be possible to make arrangements for [? with] Germany for sharing her export orders to countries in which she does not feel quite safe, such as Russia or Roumania, but he is sure that she would refuse to share good markets with us. In order to obtain this he considers that we should have to use some fairly powerful inducement.

My personal view is that the most hopeful direction in which to look for a solution of the reparation question and of the trade competition question may be found in a modification of the German export arrangements. At the present moment these involve an arbitrary system of control, great uncertainty and probably an undue amount of concealed discrimination. If this plan was abandoned for a system of free export, subject to a tax of 25 per cent on German exports for all destinations, it would result in a large revenue to the German Government, and would also result in a diminution of the outcry against German undercutting. At present a 25 per cent levy on exports from

Germany is levied in England, but in no other country. Even in the case of England the burden of the tax does not fall on the German producer, as he is repaid in marks the equivalent of the 25 per cent which he has paid in England. Exports to other countries are only subject to a much smaller tax—less than 10 per cent—and are not at present called upon to pay the 25 per cent mentioned in the ultimatum. German exporters have hitherto successfully resisted all attempts on the part of the German Government to increase the export levy, but it is within the power of the Committee of Guarantees to call upon the German Government to impose it, and my suggestion is that the burden of this tax might be left on the exporter without right of recovery from the German Exchequer. It would be possible, and indeed preferable, to levy this export duty in the currency of the country of destination.

It is contended here that the possibility of placing a substantial export tax is made extraordinarily difficult by the fluctuations of the mark, as, when the mark was at 250 to the £1, as early this year, a uniform tax of 25 per cent on German exports would have killed Germany's foreign trade. At the present moment when the mark is 500 or 600 to the £1, a tax even of 40 per cent would not do much harm. It is, therefore, a question of imposing an export tax on a sliding scale, which would vary with the rate of exchange.

I quote these objections without attaching undue importance to them. At the present moment it is unquestionable that an export tax of 25 to 40 per cent would not incapacitate German export houses in most lines from competing successfully with foreign competitors.

There would be inconveniences in a sliding scale proportionate to the prevailing level of exchange—but there is nothing insuperable in the difficulties of devising such a scheme. The export tax might vary within definite limits in proportion to the exchange value of a previous half year, or of a previous quarter. The uncertainty introduced into commercial transactions by such a stipulation would be small compared with prevailing uncertainty through valuta fluctuations.

I have, &c.,
D'ABERNON

ENCLOSURE IN NO. 726

Note for the Ambassador

BERLIN, October 18, 1921

With reference to the Memorandum on the Franco-German Wiesbaden Agreement which I submitted to Your Lordship on the 13th instant, No. 7274,¹ I should like to put forward two suggestions by which England might convert the Reparation Payments which Germany owes her, but which she will in all probability never get, into useful concessions.

The first is a proposal that, if England waives part or whole of her Reparation Claims, Germany should in return give England a proportion of the

¹ Transmitted in Berlin despatch No. 1235 of October 14, not printed.

export orders received by Germany. Naturally, only certain industries would come into consideration for such an arrangement but it would undoubtedly contribute to the relief of unemployment in a large number of classes of labour in England and would bring money into the country. I am quite aware that such a scheme would present difficulties of organisation, but they would be no greater, and probably less, than those connected with the conclusion of the Wiesbaden Agreement. The existing German industrial organisations are ready to hand for the purpose of distributing the orders between the two countries. Probably the greatest stumbling block would be the attitude of Germany's foreign customers, but just as it is open to, say, the British and German manufacturers of steel rails to arrive at an agreement with regard to foreign sales without other countries being able to interfere, so similar agreements could be made, even though Reparations might be used as a lever to get good terms out of the German side, without other countries being in a position to offer effective opposition. It should not be very difficult in most industries to settle a uniform price which would give the English manufacturer a fair profit, but would still remain competitive, America being the only serious rival to such a combination.

2. A certain proportion of our Reparation Claims might also be withdrawn on the understanding that Germany modifies her present foreign trade control system, which is indirectly costing British commerce many hundreds of thousands of pounds a year and is really not doing Germany much good. Assuming that she had never had it, I do not think she would be any worse off today, while, on the other hand, we should have done and would still be doing a very fair amount of trade with her.

The above suggestions are made on the assumption that what England needs above all things is employment and export trade, much more than money. She certainly also does not want goods, so that an arrangement similar to that with France cannot be made.

F. THELWALL

No. 727

Memorandum by Mr. Wigram on the reparation position in the light of the Committee of Guarantees' Report of October 29, 1921¹

[C 21231/2740/18]

FOREIGN OFFICE, November 3, 1921

The formal report of the Committee of Guarantees serves further to clear up the whole position as regards the next payment.

The Germans will apparently only be able to pay, by means of the deliveries in kind and the proceeds of the Reparation (Recovery) Act, about 92 millions *gold* marks out of the total of 500 millions *gold* marks due on January 15, 1922. They will therefore have to make up from 'other sources'

¹ This report, not printed, was transmitted to the Foreign Office by the British Secretary to the Reparation Commission on November 2.

the remaining 408 millions *gold* marks, which equals 12½ milliards² *paper* marks (as calculated by the Committee of Guarantees on Oct. 29 at 30 marks paper to 1 mark gold: and some 16 milliards *paper* marks at to-day's rate of about 40 marks paper to 1 mark gold).

The 'other sources' from which the balance of the January payment is to be made up cannot be revenue, as, apart from the fact that there are going to be deficits of some 90 and 100 milliards *paper* marks on the 1921-22 and 1922-23 budgets, the total monthly German revenue at the moment only amounts to some 4 to 5 milliards *paper* marks—a sum which is clearly insufficient (unless there was revenue in hand, which there is not) to meet a payment, due in January, nearly three times that amount.

Revenue not being available, the Germans will have, like other people whose income is insufficient, to cut into their capital, and this (as the Committee of Guarantees explain), together with the raising of all the foreign exchange available, is really the purpose of the negotiations with the German banks, etc., in which Dr. Wirth³ is now engaged. The Germans are trying to raise money to meet the reparation payments on the security of their industrial capital.

If these negotiations are successful the position will be temporarily relieved, and the January fence will be surmounted, but (as the Committee of Guarantees recognize) people cannot go on living on their capital for very long, and the real importance of the success of the present negotiations—if they are successful—would be that it might give the Germans time to stabilize their exchange, which really means to balance their budget and so to stop the printing press.

We come back again therefore to the old question, which the Brussels Conference⁴ tried to thresh [*sic*] out last January, whether the Germans are or are not taxing themselves as heavily as they ought—as heavily and more heavily than the allied nations. The Committee of Guarantees are going to make a further detailed enquiry into this aspect of the question, but in the meantime there are (in the opinion of the Committee, and clearly detailed by them) certain indications that German financial policy is lacking in energy, that German capital and German savings are passing beyond the frontiers, that an extravagant housing and railway policy is being pursued, that certain taxes, notably the coal tax and customs duties, are lower than they ought to be.

Lord D'Abernon also notes these tendencies, but he also, in guarded language, refers⁵ to other tendencies of no less consequence, which the financial experts seem in part to have forgotten.

There are, as Lord D'Abernon reminds us, recent instances of countries increasing their taxation out of all proportion to the rate of increase, which would be required to enable the Germans to meet *all* their liabilities. Our own taxation was increased (taking into account the rise in prices) by some

² Note on original: 'N.B. 1 milliard = 1000 millions.'

³ Dr. Wirth had re-formed his Cabinet on October 26.

⁴ See Nos. 422 and 429.

⁵ In his despatch No. 1272, of October 25, not printed.

300 per cent. between 1913 and 1920; the Germans to balance their budget would only need to increase theirs by some 140 per cent. But the circumstances are not comparable. Our increased rates dated from 1913 and were used to make war. The German increased rates would date from 1921, and would be used to pay a foreign indemnity. The destination of the tax and the good-will of the taxpayer are, as Lord D'Abernon points out, no less important than the energy of the tax-collector.

We can still say that the Germans ought to pay and that they shall pay, but the situation, as it develops, seems to point only to the solution we desire being more distant than before, and to the increasing futility of making demands based largely on principles of abstract justice.

Now that the situation is becoming clearer and that we are apparently again to be inundated with a flood of loose reasons purporting to show why Germany can and must pay and tending therefore towards fresh punitive action, it seems more than ever desirable that the wider considerations (at which Lord D'Abernon has hinted) should be borne in mind, that the guiding of facts distorted to fit a policy should be refused, that a fresh and strong attempt should be made to modify the policy to fit the facts, and that, for these reasons, Lord D'Abernon should be encouraged again to give (as he did last April)⁶ an energetic lead, based on wider political grounds, to the somewhat technical arguments of the financial experts.

R. F. WIGRAM

⁶ See Nos. 510, 511, 519, 522, and 529.

No. 728

*The French Chargé d'Affaires to the Marquess Curzon of Kedleston
(Received November 9)*

[C 21403/416/18]

LONDRES, le 8 Novembre, 1921

Par suite de la décision de la Commission des Réparations de renvoyer aux Gouvernements alliés l'étude de l'accord conclu à Wiesbaden le 6 octobre dernier, le Gouvernement français a cru devoir exposer au Gouvernement de Sa Majesté les raisons qui l'ont engagé à poursuivre avec le Gouvernement allemand les négociations qui ont abouti à l'accord susvisé.

Le Ministre des Affaires étrangères à Paris a donc prié le Chargé d'Affaires de France de faire parvenir à cet effet la note ci-jointe à son Excellence le Principal Secrétaire d'État de Sa Majesté pour les Affaires étrangères.

M. de Montille saisit, &c.,

ENCLOSURE IN No. 728

Note

LONDRES, le 8 Novembre, 1921

La Commission des Réparations, saisie par le Gouvernement français de l'accord conclu à Wiesbaden, le 6 octobre 1921, avec le Gouvernement

allemand, s'est déclarée entièrement favorable aux principes généraux de cet arrangement, qui permettrait à la fois à l'Allemagne de se libérer d'une importante fraction de sa dette [? de] réparation par le moyen de prestations en nature et à la France d'accélérer la restauration de ses régions dévastées.

Estimant, toutefois, que l'accord dépassait les limites de sa compétence (Article 237, paragraphes 12 et 19 de l'Annexe II, et paragraphe 5 de l'Annexe IV), elle a décidé de le soumettre aux Gouvernements alliés.

Dans ces conditions, le Gouvernement français croit devoir exposer au Gouvernement britannique les raisons qui l'ont engagé à poursuivre avec le Gouvernement allemand les négociations qui ont abouti à l'accord susvisé.

Le Gouvernement allemand avait, à plusieurs reprises (déclarations du Dr. Simons, avant et après la Conférence de Londres, de mars 1921,¹ mémorandum allemand du 31 mars, 1921), fait grief à la France de n'avoir pas admis le concours de l'Allemagne pour le relèvement de ses ruines. Aucune offre précise n'était cependant parvenue au Gouvernement français et le Gouvernement allemand avait, au contraire, fait preuve de mauvaise volonté pour répondre aux demandes de la France, faites par elle en conformité du traité (Partie VIII, Annexe IV).

Nos Alliés nous avaient encouragés à plusieurs reprises à rechercher les solutions pour les réparations en nature.

Aussi, lorsqu'au mois de juin dernier, le Dr. Rathenau manifesta le désir d'avoir une entrevue avec M. Loucheur pour étudier de concert la question de la coopération allemande à la restauration des régions dévastées, le Gouvernement français ne crut pas devoir répondre à cette proposition par une fin de non-recevoir. MM. Loucheur et Rathenau se rencontrèrent à Wiesbaden le 12 juin.

Le Ministre allemand, au cours de ces entretiens, affirma le désir sincère de son Gouvernement de satisfaire aux conditions de l'ultimatum. Il déclara que l'Allemagne se trouverait devant des difficultés presque insurmontables si les Gouvernements alliés, et en particulier le Gouvernement français, n'admettaient pas en de fortes proportions le paiement au moyen de prestations en nature.

Il lui fut objecté que les Puissances alliées n'avaient pas intérêt à réclamer de l'Allemagne des livraisons en nature si les conditions de paiement de ces livraisons n'étaient pas améliorées, par exemple en reculant tout ou partie des paiements par compensation.

Il ne devait pas s'agir d'un crédit de Gouvernement à Gouvernement, mais d'un crédit ouvert par une société allemande de vente au groupement des sinistrés français. L'idée parut réalisable au Dr. Rathenau et il fut convenu que des experts français et allemands se rencontreraient pour l'étudier et la mettre au point.

Les conversations engagées, d'abord à Berlin, se poursuivent à Paris.

La Commission des Réparations fut d'ailleurs mise immédiatement au courant de ces tractations par les soins du Gouvernement français.

¹ See Vol. XV, Chap. II.

Les Ministres français et allemand eurent une nouvelle entrevue à Wiesbaden, à la fin du mois d'août, et arrivèrent à un accord de principe, dont le texte fut aussitôt communiqué à la Commission des Réparations en lui demandant de faire connaître ses observations. La réunion finale, dans laquelle fut signé le mémorandum, eut lieu le 6 octobre 1921, soit six semaines après.

La combinaison envisagée dans l'accord du 6 octobre 1921 ne concerne pas les prestations en nature spécifiées aux Annexes III, V et VI à la Partie VIII du Traité de Versailles, mais vise toutes autres livraisons qui pourraient être nécessaires à la reconstruction des régions dévastées.

Sa caractéristique est de mettre directement en présence la collectivité des sinistrés français (désignés par *F* dans le mémorandum) et l'organisme de droit privé allemand (désigné par *A*).

Le matériel ou les matériaux que *F* demandera seront livrés par *A*. Un crédit sera fait à *F* pour ces fournitures par *A*. Son importance totale pour les trois premières années ne pourra pas dépasser 7 milliards de marks or. Les 35 pour cent ou 45 pour cent de la valeur des marchandises livrées seront payés dans l'année de leur fourniture; le solde sera payé en dix années après 1926, avec intérêt à 5 pour cent l'an.

Toutefois, le montant des sommes annuelles à payer par la France sera limité à 1 milliard de marks or, y compris la valeur des prestations prévues aux Annexes III, V et VI du traité, et ne pourra en aucun cas dépasser les 52 pour cent représentant la part de la France dans les paiements de l'Allemagne pour les réparations.

F sera libéré à l'égard de *A* par l'inscription correspondante au crédit de l'Allemagne et au débit de la France dans les comptes de la Commission des Réparations.

Le chiffre de 7 milliards de marks or envisagé pour le crédit indique un ordre de grandeur. Il ne peut être considéré que comme un maximum. Si le besoin de matériel et de matériaux nécessaires à la reconstruction des régions dévastées peut se chiffrer à un total approchant, la demande des sinistrés est, elle, absolument indéterminée.

Le Gouvernement français doit, en effet, conformément à sa loi de dommages, indemniser les sinistrés en espèces et ne peut leur imposer le paiement en nature; le sinistré reste absolument libre de s'adresser à l'organisme français *F* pour obtenir la livraison de produits allemands.

L'utilisation du crédit consenti par *A* à *F* dépendra donc uniquement du succès des opérations commerciales engagées en application des dispositions du présent accord.

L'accord prévoit également les modalités suivant lesquelles seront déterminés les prix des prestations effectuées par les soins de *A*; en principe, les prix sont fixés par entente directe entre vendeur et acheteur; par exception, lorsque cette entente ne peut être réalisée, les prix du matériel courant et des objets en série sont arrêtés par une Commission d'Arbitrage.

La Commission des Réparations a estimé que l'Accord de Wiesbaden implique certaines dérogations aux stipulations de la Partie VIII du Traité

de Versailles, et spécialement de l'article 237, des paragraphes 12 et 19 de l'Annexe II, et du paragraphe 5 de l'Annexe IV.

Ces dispositions visent la compétence de la Commission des Réparations, en ce qui concerne l'acceptation des paiements de l'Allemagne et l'évaluation des prestations en nature effectuées par elle.

Le Gouvernement français tient à préciser qu'il estime que les observations faites par la Commission des Réparations ne dépassent pas la portée qu'il leur attribue; notamment, en ce qui concerne l'article 237, la décision de la Commission des Réparations peut faire naître une équivoque que le Gouvernement français juge indispensable de dissiper immédiatement.

Il comprend que la décision de la Commission des Réparations vise le paragraphe 2 dudit article, relatif à la méthode d'évaluation des prestations en nature effectuées par l'Allemagne, à l'exclusion du paragraphe 1, qui concerne la répartition des versements de l'Allemagne entre les Puissances alliées.

Le paragraphe 1 ne relève pas de la compétence de la Commission des Réparations, mais strictement de celle des Puissances alliées. L'Accord de Wiesbaden, du reste, n'a apporté aucune modification au pourcentage établi par l'Accord de Spa.²

Le Gouvernement français est d'avis que l'Accord de Wiesbaden n'entraîne, d'ailleurs, aucune dérogation aux dispositions visées par la Commission des Réparations et c'est certainement à tort que le mot 'dérogations' a été employé par elle. Celle-ci, en effet, se contente, à l'heure actuelle, d'entériner les prix sur lesquels une entente est intervenue. L'Accord de Wiesbaden ne déroge pas à cette procédure, puisqu'il appartient à la Commission des Réparations, en application de l'article 6 de cet accord, de donner crédit à l'Allemagne et débit à la France des prestations en nature effectuées selon les règles édictées par lui.

La procédure de fixation des prix envisagée par l'accord, qui comporte, en règle générale, l'entente directe et, pour les cas où cette entente ne s'établirait pas, le recours à un arbitrage, présente d'ailleurs toutes les garanties possibles de sécurité et d'impartialité et il faut rappeler qu'un moyen analogue de fixation de prix a été prévu dans l'état de paiement (article 8).

Rien ne s'oppose d'ailleurs à ce qu'il soit donné pouvoir à la Commission des Réparations, par application du paragraphe 22 de l'Annexe II du Traité de Paix, pour accorder des dérogations aux dispositions qui visent l'acceptation des paiements de l'Allemagne et l'évaluation des prestations en nature effectuées par elle.

Une procédure analogue a déjà été employée au moment de l'établissement de l'état de paiement.

D'autre part, la Commission des Réparations a recommandé que des facilités raisonnables soient accordées à la France pour différer ses paiements quant aux quantités spécialisées de livraisons en nature qu'elle recevra vraisemblablement pendant les prochaines années, si l'accord donne des résultats satisfaisants — sous réserve des garanties que les Gouvernements alliés

² See Vol. VIII, Chap. VIII.

pourraient éventuellement juger nécessaires pour sauvegarder leurs intérêts respectifs.

Les garanties auxquelles il est fait allusion ont sans doute pour but d'assurer aux pays alliés la réception de leur part proportionnelle de la valeur des livraisons effectuées, au cas où l'Allemagne viendrait à manquer aux obligations qui lui sont imposées par l'état de paiement. Il a été même suggéré à cet effet, par le délégué britannique, que la France devrait tenir en dépôt, entre les mains de la Commission des Réparations, les obligations de la série 'A' jusqu'à concurrence d'une valeur nominale égale à ses obligations éventuelles du chef des créances différées.

Une telle exigence aurait pour effet de réduire sensiblement le nombre des obligations qui peuvent être négociées par les soins du Gouvernement français; celui-ci se trouverait donc dans l'impossibilité d'assurer le service de ses pensions et de rembourser les sommes déjà dépensées par lui pour la reconstruction des régions dévastées et qui restent à sa charge en raison du manquement de l'Allemagne à payer avant le 1^{er} mai 1921 le total de 20 milliards exigé par l'article 235 du Traité de Paix.

Ces dépenses payées directement par la France dépassent 40 milliards de francs pour la seule reconstruction des régions dévastées. Il en résulterait que parce qu'il a voulu hâter cette reconstruction de manière à rétablir sa situation économique et par cela même celle du monde, parce qu'il a cherché à faciliter à l'Allemagne l'accomplissement de ses obligations et à entrer dans les vues exprimées à diverses reprises par les Gouvernements alliés, le Gouvernement français serait privé de la part de ressources auxquelles il a strictement droit pour soulager sa propre Trésorerie.

Un pareil système détruirait pratiquement tout l'effet des Accords de Wiesbaden. La France n'aurait plus d'intérêt à recevoir des fournitures en nature dont l'envahissement créera à son industrie des préjudices certains. Elle ne saurait accepter qu'il lui soit imposé aucune charge en retour de l'acceptation de ces accords.

Mais le Gouvernement français considère même que les accords sont encore profitables à tous les Alliés. En effet, il a à peine besoin de faire remarquer qu'en attirant sur son propre territoire, au détriment de sa propre industrie en proie à une crise économique grave, des quantités considérables de produits allemands, il détourne ces produits des autres marchés du monde, ce qui profitera à tous les Alliés.

En outre, les Accords de Wiesbaden ont pour effet immédiat de supprimer l'achat par le Gouvernement allemand sur le marché mondial d'une quantité correspondante de devises étrangères et par conséquent d'enrayer la chute du mark, autant qu'il est au pouvoir du Gouvernement français de le faire. Ceci constitue pour les autres Alliés un immense avantage. L'Allemagne aura d'autant plus de facilités à se procurer les devises étrangères nécessaires pour faire face à ses engagements qu'elle en aura moins à acquérir. Ce sera l'effet pratique des accords de Wiesbaden.

C'est pourquoi le Gouvernement français estime que la Commission des Réparations a bien jugé en se déclarant entièrement favorable aux principes

généraux de l'Accord de Wiesbaden. Il demande aux Gouvernements alliés de vouloir bien se déclarer d'accord pour donner à la Commission des Réparations les pouvoirs nécessaires, conformément au paragraphe 22 de l'Annexe IV du Traité de Paix, en vue d'accepter purement et simplement lesdits accords.

No. 729

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received November 10, 9.30 a.m.)

No. 863 *Telegraphic*: by bag [C 21429/416/18]

PARIS, November 9, 1921

Judging from a leading article in this evening's 'Temps', Sir John Bradbury's report¹ on the Loucheur-Rathenau Agreement is likely to be as ill received by the French press as were Your Lordship's objections to the Angora Agreement.² The 'Temps' admits that objections have been made to the Loucheur-Rathenau Agreement in many quarters, even in France; but it sharply criticizes the Foreign Office for publishing a document³ which can only arouse controversy at a moment when this is particularly undesirable. I will not enter into the details of the article, of which I am forwarding the text;⁴ but think it well to warn Your Lordship that Sir John Bradbury's report may form an excuse for a fresh outburst of anti-English invective in the French newspapers.

¹ This report of October 26 is printed in Cmd. 1547 of 1921. See No. 730, below.

² This agreement, of October 20, between France and the National Government at Angora is printed as Cmd. 1556 of 1921. Lord Curzon's letter of November 5, officially notifying the French Ambassador of British objections to the treaty, is printed in Cmd. 1570 of 1922.

³ Cmd. 1547.

⁴ In his despatch No. 3093 of November 9, not printed.

No. 730

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 2934 [C 21366/416/18]*

FOREIGN OFFICE, November 10, 1921

My Lord,

I transmit to your Excellency herewith copies¹ of a command paper 1547, recently laid before Parliament, containing copies of the Wiesbaden agreement, of the decision of the Reparation Commission referring the agreement to the allied governments, and of a memorandum and a report on the subject from the British delegate to the Reparation Commission.

¹ Not printed.

2. In transmitting a copy of this document to the French Government for their information, I request that you will explain that, pending the receipt of the proposals of the French Government for meeting the points raised by the Reparation Commission and in particular for providing the safeguards indicated by them as necessary to protect the interests of the partners of France in the reparation payments, His Majesty's Government do not for their part desire to express any opinion as to the exact nature of the safeguards which they will require.

3. Your Excellency should at the same time inform the French Government that the long delay in the ratification by them of the agreement² signed in Paris on August 13th by the Finance Ministers of all the Powers there represented, is causing His Majesty's Government some concern, and that the ratification of that agreement must, in the opinion of His Majesty's Government, precede the initiation of discussions directed towards arriving at the new inter-allied agreement now in question.

4. Copies of this despatch, together with the enclosure, have been sent to His Majesty's Representatives at Rome³ and at Brussels,⁴ and to the Japanese Ambassador⁵ here for the information of the Italian, Belgian and Japanese Governments.

5. Copies have also been sent to His Majesty's Ambassadors at Washington, Berlin and Tokyo.

I am, &c.,
(In the absence of the Secretary of State)
CHARLES TUFTON

² See No. 670.

³ No. 961 of November 10.

⁴ No. 796 of November 10.

⁵ On November 10.

No. 731

*Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received November 12)*

No. 872 Telegraphic: by bag [C 21572/416/18]

PARIS, November 11, 1921

Your despatch No. 2934 of November 10th.¹ (Wiesbaden Agreement).

Third paragraph of this despatch seems to overlook fact that French Government have, in their Note of September² (forwarded to you in my despatch No. 2488 of September 3rd),³ made it perfectly clear that they do not intend to ratify financial agreement of August 13th as it stands, and have given their reasons for their attitude on this point. His Majesty's Government have, so far as I am aware, never replied to this Note. After Monsieur Doumer met the Chancellor of the Exchequer in London in September,⁴ a communiqué was there issued to the Press stating that the questions raised by the financial agreement of Paris had been examined in a spirit of friendship and cordiality and that it had been agreed that the problems discussed

¹ No. 730.

² Not dated, see No. 689, n. 1.

³ Not printed.

⁴ See No. 691.

should be examined subsequently in consultation with the other Allied Powers.

In these circumstances I can hardly reproach the French Government with delay in ratifying the agreement, still less inform them that it must be ratified before new interallied agreement is discussed.

I will await further instructions before taking any action on your despatch.

No. 732

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received November 17)

No. 1323 [C 21890/416/18]

BERLIN, November 12, 1921

My Lord,

I have the honour to report that I had a long conversation with the French Ambassador this morning on various minor topics, and also on the question of Reparation.

I told him that in my personal view the chances of Germany being able finally to pay the Ultimatum sum were not as remote as the English press stated, but that a time of respite was required to get finance on to something like a stable basis. Excessive demands for immediate payment would be fatal to solid success. The difficulty was to get public opinion, notably in France, to realise this. He did not dissent as violently as I expected, but said that it would be extremely difficult to get Paris to adopt the attitude I had indicated. In his view the essential thing was for the Reparation Commission to ascertain the real facts; to examine the budget position; the possibility of stopping the issue of notes; the correctness of the German customs returns. He had been as much surprised as I was at the smallness of German exports in July and August; he believed these exports must have been undervalued by the customs authorities. Otherwise, what was happening to the produce of German factories? They were all working at full blast, and home consumption could not be taking much more than its normal consumption. Therefore exports must be larger than shown. All these things ought to be examined by the Reparation Commission.

I replied that I fully agreed with this view, and had constantly told the German Government that it was to their best interest to present full and fair figures to the Reparation Commission and to display complete sincerity.

My own view was to distrust less the integrity of the Wirth Government than its financial and economic ability. Germany wanted really strong financial direction, and had not got it.

The French Ambassador informed me that he was now getting together information showing total exports to different countries, together with a statement of the obstacles to the development of German exports which existed in foreign countries in the shape of high duties, prohibitions, &c. This will be useful in many ways.

I have, &c.,
D'ABERNON

No. 733

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received November 14, 8.30 a.m.)

No. 522 Telegraphic [C 21659/2740/18]

BERLIN, November 13, 1921, 8.45 p.m.

Negotiations and conversations are proceeding between German Government and Reparations Commission.¹

The latter are concentrating upon the smaller question of getting January and February instalments paid. German Government are endeavouring to obtain the necessary advances from Industry. The latter will certainly demand some pledge regarding the future or some promise of examination of Germany's capacity to pay as a return for advance.

This course of procedure seems probably the best method to raise the larger question.

¹ The Reparation Commission was received by the German Chancellor in Berlin on November 10. The Commission returned to Paris on November 20.

No. 734

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received November 14, 8.30 a.m.)

No. 523 Telegraphic [C 21748/416/18]

BERLIN, November 13, 1921, 8.45 p.m.

I have read Bradbury's note on Wiesbaden Convention¹ and discussed matter with him.

My . . .² is that best policy for His Majesty's Government is to accept Wiesbaden under condition that deliveries in kind by Germany to France are credited at full value in reparation account not at 35 or 45 per cent. of full value and also that Bradbury's safeguards³ are accepted by French.

¹ See No. 729, n. 1.

² The text is here uncertain.

³ In his report of October 26, Sir J. Bradbury had written: 'The safeguards which are envisaged as necessary by my Italian and Belgian colleagues on the Reparation Commission and myself and for which we presume that our respective Governments will desire to stipulate are:—

(1) that a limit of time should be laid down after the expiration of which no new deferment of debit should be permitted and the liquidation of the existing deferred debits should commence to be made by regular annual instalments. The precise length of this period should be determined upon an estimate of the time necessary to carry out the main work of reconstruction, regard being had to the time required by Germany to effect the necessary supplies. In view of the delays which are inevitable in regard to operations of the magnitude of those contemplated, the prescribed period might reasonably be somewhat longer than the four and a half years initial period under the agreement, but it should not exceed seven years.

This would make deal much fairer for Germany and enable similar principle to be extended to other creditor countries without difficulty or prolonged negotiations.

As Loucheur has succeeded in getting Wiesbaden principle adopted in France with wide assent it should not be now impossible or even difficult for him to obtain acceptance for a . . .⁴ method of execution which would allow a wide application of principle without (? fear), favour or affection.

- (2) that in no circumstances should the aggregate amount for which debit against France for the time being stands deferred be allowed to exceed a prescribed amount,—say 4 milliard gold marks.
- (3) that a provision should be inserted for the payment by France to the general reparation account from time to time (within the limits of the deferred debits for the time being outstanding) of any amounts which may be necessary to secure that the other Allies shall receive their proper proportions of the amounts due from Germany under the Schedule of Payments.'

⁴ The text is here uncertain.

No. 735

*Lord D'Aberton (Berlin) to the Marquess Curzon of Kedleston
(Received November 22)*

No. 1332 [C 22141/508/18]

BERLIN, November 16, 1921

My Lord,

I have the honour to enclose a brief memorandum on the financial position of Germany as it appears to-day.

I have, &c.,
D'ABERNON

ENCLOSURE IN No. 735

Memorandum Respecting the German Financial Position

BERLIN, November 15, 1921

The financial position here appears to be susceptible of very brief statement.

It is as follows:—

The Government find great difficulty in obtaining the necessary sums abroad for payment of the January and February instalments. These together amount approximately to 750,000,000 gold marks, but certain deductions from this total have to be made on account of payments in kind, of the 26 per cent., &c., so that the maximum sum which Germany requires to find to clear herself until the end of February is 500,000,000 gold marks. They have applied to German industry to assist them, but German industry cannot provide the necessary sums without crippling itself, except through banking facilities in London and New York. The attitude of London bankers, who

have been here lately, appears to be that they will not give increased facilities to Germany unless they are clear on two points:—

- (a) That France has become reasonable in her demands and is willing to accept a quasi-permanent solution, which means a rearrangement of the ultimatum terms.
- (b) That Germany puts her financial house in order.

Some British bankers go indeed further and say that they will curtail the facilities which they now afford Germany unless the German financial position is made sound through the above measures. Bankers have been alarmed at the rapid fall of the mark and fear that the mark may succumb in another crisis, and fall to a Polish-Austrian level.

It is certain that large amounts of German currency notes are held abroad, also that large sums are deposited in Berlin on foreign account. The notes abroad might be sent back to Germany and sold at best; foreign balances in Germany might be recalled, even at a break-up level, and both these events are fairly probable unless public opinion can be reassured regarding the future of German finance and German currency. A reasonable settlement of the future reparation payments must be arrived at soon, or another crisis is certain. By opposing a reasonable settlement France endangers the whole fabric of reparation. The edifice erected on the foundation of the London Conference in May 1921 is already reeling from the blow dealt it by the Geneva decision.¹ It will soon be too late to save it from annihilation if a further mark crisis is allowed to occur before protective measures have been adopted.

The Reparation Commission is fully entitled to demand from the German Government pledges of serious financial reform as a return for the requisite alteration in the schedule of payments. The German Government should engage to take the necessary measures so that regular payments may be adequately secured after the period of respite.

Among the reforms urgently required, the most important are:—

Balancing the German budget, which will permit the closure of the printing press.

Stoppage of subventions to industry, through food, and through inadequate railway rates, and through insufficient coal taxation.

Revision of the scale of customs duties; in particular, revision of the regulations and duties affecting exports. Establishment of an efficient revenue collection system.²

¹ Of October 12. See No. 329.

² Lord Curzon minuted on November 26: 'I note with horror that we are to have it all over again, London, Lympne, Brussels, Belgium [? Boulogne], Spa, Paris—a dreadful cycle. C.'

No. 736

*Record by Sir E. Crowe of a conversation with the French
Chargé d'Affaires*

[C 22257/416/18]

FOREIGN OFFICE, November 19, 1921

The French Chargé d'Affaires made, under instructions from his government, a renewed, verbal, protest against the publication of Sir J. Bradbury's recent report on the Loucheur-Rathenau agreement of Wiesbaden.¹ He said the French government were unable to admit as a sufficient excuse that the publication had been made by order not of the Secretary of State for Foreign Affairs, but of the Treasury. Under the terms of the treaty of Versailles the Allies had engaged to 'keep the proceedings of the Reparation Commission secret'. The contention that Sir J. Bradbury had acted in his capacity not of member of the Reparation Commission, but of a British government official was a subterfuge not to be taken seriously.

I said we were in communication with the Treasury on the subject, and I preferred not to say anything pending the receipt of the further explanations which they would no doubt furnish.

I felt however impelled to make one observation at once: I could not conceal my profound astonishment at the sight of a French government having the courage to complain to us of the publication of a confidential document. Having regard to the systematic and absolutely unabashed practice of the Quai d'Orsay of revealing everything despite the most solemn and reiterated assurances to the contrary, a practice which had formed the subject of a stream of complaints on our part to which no regard whatever had ever been paid, I thought the present French protest might not improbably have been intended as a little tit-for-tat and made rather as a joke.

M. de Montille laughingly admitted that from the point of a *tu-quoque* argument, the French authorities did not have the best of it. But, he said, he must make the representation which he had been instructed officially to make.

¹ See No. 729, n. 1.

E. A. C.

No. 737

The Marquess Curzon of Kedleston to Sir R. Horne (Treasury)

[C 21572/416/18]

Immediate

FOREIGN OFFICE, November 19, 1921

On the morning of November 9th a 'warning' was conveyed to the Foreign Office on the telephone that Sir John Bradbury's report on the Wiesbaden Agreement was to be published as a White Paper that same day.¹ No other intimation had been made that this important act of foreign policy was impending. Neither I nor the Cabinet knew anything about it although I

¹ The White Paper (Cmd. 1547) had been published on November 8.

had definitely asked to be consulted in an official letter dated October 28th. I can only assume that that letter was never laid before you.

2. Whether, in the circumstances of the moment, the act was well judged, I will not at the moment discuss. Inasmuch however as it has a serious bearing on our relations with France, it possesses a political importance of which the Foreign Office must inevitably bear the brunt. I feel sure therefore you will agree that the proper course would have been that the action best calculated to secure the acceptance by the French government of the financial agreement of August 13th (for that, I understand, is one of the objects to which most importance is attached) should have been carefully examined in consultation with my department. Had that been done, the whole situation could have been reviewed in the light of our relations with France in regard to other questions, the bearing of which on the matter is by no means negligible; such points as the wisdom of making known the deliberations of the Reparation Commission, against which the French government have protested, could have been weighed; and the possibility of concerting more effective action with our Belgian and Italian allies could have been considered. As it is, Lord Hardinge has now pointed out² that it is not practicable to address a communication to the French government in the terms which the Treasury have suggested, and I am having an official letter sent to your department,³ in which an alternative line of action is proposed.

3. But the object of this letter is not so much to criticise this particular proceeding of the Treasury as to draw your attention to the grave inconvenience inherent in a practice which is really a departure from sound principles of administrative organization, and a till lately unbroken practice. The present case does not unhappily stand alone. It is the latest illustration of a process which has grown up in the course of the last two years, which I have more than once already deprecated, and which I must earnestly request you to take effective steps to bring to an end. In order however that such steps may be really effective, I feel that some much more definite arrangements than at present prevail should be made for co-operation between our departments in respect of those reparation questions on which the political problems of Europe so largely hinge. From our side every attempt has been made to secure such co-operation, but these attempts have not been encouraged by the consistently uncommunicative attitude of the Treasury. Some recent examples of this attitude are enumerated in the enclosed memorandum. I suggest therefore that, while issuing such instructions as will avoid the risk of independent action being taken by the Treasury in matters which, like the publication of this White Paper, may seriously affect our foreign relations, you should depute an official to discuss with us some alteration of the system under which at present the relations between the Reparation Commission and our two departments are conducted. I do not want to make a Cabinet matter out of a trouble which we ought to be able to compose ourselves.

[CURZON OF KEDLESTON]

² See No. 731.

³ See No. 738, below.

*Memorandum*FOREIGN OFFICE, *November 19, 1921*

1. During 1920 and the early part of 1921 the Treasury and the British delegation on the Reparation Commission failed to consult the Foreign Office at all during the long-drawn-out negotiations between the Reparation Commission and the German government with regard to the delivery of the twenty milliards of gold Marks under article 235 of the treaty. Yet it can scarcely be argued that these negotiations did not involve questions of general foreign policy. Largely in order to remedy this state of things the Chancellor of the Exchequer was asked, on May 7th 1921, to arrange for better liaison between the British delegation to the Reparation Commission and the Embassy at Paris.⁴ The arrangements which were made for this purpose have worked satisfactorily. But experience has shown that something more is required, and that inter-departmental co-operation in London is needed to prevent prejudice being done to the principle that the direction of foreign policy must be centralised in a single department.

2. For instance, not only was no attempt made by the Treasury to consult the Foreign Office as to the best means of inducing the French government to accept the August financial agreement, but the Treasury have taken independent action to that end. During August a Treasury official negotiated in this matter on behalf of His Majesty's Government with the Italian government at Rome. The Foreign Office was not informed that such negotiations were proposed, much less consulted as to their propriety. Similar negotiations are believed to have been conducted in Belgium in a similar manner at about the same date;⁵ and during the last few weeks a similar visit, with a similar object, has been paid by Treasury officials to Brussels.⁶

3. The Treasury did not keep the Foreign Office informed of the progress of their negotiations in London in pursuit of the French ratification of the August agreement. The substance of the September interview between Monsieur Doumer and the Chancellor of the Exchequer was not reported to the Foreign Office until fourteen days after it had taken place,⁷ and then only in consequence of a special request.

4. The Foreign office were quite recently left to learn from the press that so important a political step had been taken as the journey of the Reparation Commission to Berlin.⁸

5. From the above facts one point emerges which, though perhaps a minor one, is closely connected with the principle of undivided departmental responsibility. It is important that no further violations of the rule that all negotiations with foreign governments must be carried on under the responsibility of the Secretary of State for Foreign Affairs should take place; and that, as a corollary to this rule, all proposed visits of officers of other departments

⁴ See No. 544, n. 5.

⁵ No record of these negotiations has been found in the Foreign Office archives.

⁶ See No. 739, below.

⁷ See No. 691, n. 1.

⁸ See No. 733.

to foreign capitals on official business should be notified in advance to the Foreign Office with an indication of their object, in order that His Majesty's representatives at the capitals concerned may be informed. It is recognised that the peculiar position of the Reparation Commission may complicate the established practice. That is an additional reason why consultation between the Foreign Office and the Treasury is desirable, in order that safeguards may be devised to prevent further prejudice being done to that practice.

No. 738

Mr. A. Cadogan¹ to the Secretary to the Treasury

[C 21572/416/18]

Immediate

FOREIGN OFFICE, November 19, 1921

Sir,

With reference to your letter No. F. 3101/2 of November 8th,² in regard to the Wiesbaden agreement, I am directed by the Marquess Curzon of Kedleston to transmit to you herewith copies of a telegram No. 872,³ from His Majesty's Ambassador at Paris and of a memorandum⁴ from the Italian Embassy on this subject.

2. In view of the French government's declaration of September 3rd⁵ (forwarded to the Treasury in Foreign Office letter No. C 17504/2470/18 of September 5th), there is some ground for Lord Hardinge's opinion that it would not now be altogether politic to insist (in the terms proposed in the Treasury letter under reference) on the ratification by the French government of the August agreement as a condition prior to the consideration by His Majesty's Government of the Wiesbaden agreement.

3. The proposal, contained in the memorandum from the Italian Embassy of November 12th, suggests moreover that, before any definite communication is made to the French government in this matter, it would be more effective and also less invidious, so far as His Majesty's Government are concerned, that some joint action should, if possible, be concerted with the Italian and Belgian governments, and also possibly with that of Japan. I am therefore to suggest that it should now be proposed to the Belgian and Italian,

¹ A member of the Central Department of the Foreign Office.

² In this letter the Treasury had stated: 'It appears to Their Lordships that the first step required is to request the French Government to put forward proposals for meeting the points raised by the Reparation Commission and in particular for providing the safeguards indicated by the Reparation Commission as necessary to protect the interests of the partners of France in reparation. The nature of the safeguards which the Reparation Commission had in mind is somewhat more clearly explained in the report from Sir John Bradbury which is printed in the White Paper [Cmd. 1547].' The Treasury went on to suggest that the ratification by France of the Paris Agreement of August 13 should 'precede the initiation of discussions directed towards arriving at the new inter-Allied agreement now in question'.

³ No. 731.

⁴ This memorandum of November 12 stated that there should be an exchange of views between the Italian, British, and Belgian Governments concerning the Wiesbaden Agreement.

⁵ See No. 689, n. 1.

and possibly also to the Japanese government, that a joint communication should be made to the French government in the sense of the first two paragraphs of the Foreign Office despatch to Lord Hardinge, No. 2934 of November 10th⁶ (see Foreign Office letter to Treasury No. C 21366/416/18 of November 10th).⁷

4. In view of Lord Hardinge's telegram No. 872 it would seem desirable to modify that part of the communication to the French government, foreshadowed in the third paragraph of this despatch, and to express to the French government the hope of the allied governments that a statement of the modifications, which the French government wish to see made in the August agreement, will precede, or at least accompany the French proposals for safeguarding the interests of the allied governments under the Wiesbaden agreement.

5. In the meantime His Majesty's Representatives at Rome and Brussels have been instructed⁸ to suspend the action foreshadowed in the last sentence of Foreign Office despatch No. 2934 to Paris, and the Japanese Ambassador in London has been informed⁹ that the possibility of some joint allied communication to the French government by the other governments represented on the Reparation Commission is under consideration.

6. Copies of these telegrams and of the note to the Japanese Ambassador are enclosed.¹⁰

I am, &c.,

ALEXANDER CADOGAN

⁶ No. 730.

⁷ This letter repeated Foreign Office despatch, No. 2934 to Paris, to the Treasury.

⁸ In telegrams No. 485 and No. 135 of November 18, respectively, not printed.

⁹ In a letter of November 19, not printed.

No. 739

Sir B. Blackett (Treasury) to the Marquess Curzon of Kedleston
(Received November 22)

No. F. 3101/3 [C 22125/416/18]

Urgent

TREASURY, November 21, 1921

Sir,

I have laid before the Lords Commissioners of His Majesty's Treasury Mr. Cadogan's letter of the 19th instant (C 21572/416/18),¹ further on the subject of the Paris Agreement of August 13th for distribution of reparation receipts and the Wiesbaden Agreement relative to reparation in kind.

My Lords had not overlooked the French Government's declaration of September 3rd² in regard to the Paris Agreement, nor the visit of Monsieur Doumer to London last September.³ In regard to the latter it must be

¹ No. 738.

² See No. 689, n. 1.

³ See No. 691.

remembered that Monsieur Doumer's visit was in the nature of a personal visit and that he was not authorised by his Government to negotiate. On his departure he expressed the intention of submitting a memorandum on the subject which has not in fact been received and which My Lords have reason to believe will not now be submitted. In these circumstances My Lords cannot agree that They are not justified in complaining of the French Government's action in not ratifying the Agreement and of the delay in dealing with it. Their objection to the French Government's attitude is fundamental. The agreement was itself little more than an undertaking by the French Government to honour previous agreements subject to certain concessions made by the new agreement in favour of France and Italy by Belgium and this country. I am further to point out that there has never been any suggestion that either Belgium or this country are [*sic*] willing to make further concessions, and Italy is entirely ready to stand by the agreement signed by her plenipotentiary at Paris. Moreover as lately as November [9th] the Chancellor of the Exchequer stated in the House of Commons that he fully expected the agreement to be ratified (Debates Vol. 148 col. 454).

My Lords therefore remain of the opinion that a final settlement in regard to the agreement of August 13th is an essential preliminary to any discussion of the Wiesbaden Agreement. It is useless to consider the negotiation of new agreements with France so long as France is in the position of protesting against the carrying out of agreements already entered into by her, even after a new agreement modifying in her favour the conditions of earlier agreements has been negotiated during a week of conferences in Paris attended by the Finance Ministers of Britain, Belgium, Italy and France, and by the representative of the Finance Minister of Japan, and signed by all of them, subject only to ratification by the French Government, all the others having signed as plenipotentiaries.

As regards the Wiesbaden agreement, My Lords in the letter to the Foreign Office of the 8th instant,⁴ confined Themselves to requesting the French Government's proposals for meeting the points raised by the Reparation Commission,⁵ and They still think that this is the necessary first step. In this opinion, They are supported by the Belgian Finance Minister with whom They had been semi-officially in communication⁶ before the letter of November 8th was despatched. They believe that the Belgian Government prefer this method of approach to any prior conference between the Powers other than France. The moment for such a Conference will be ripe only when the French Government has put forward its proposals. It is understood that the intention of the Belgian Government is to make representations to the French Government on lines similar to those proposed by Their Lordships as soon as the British note has reached the French Government.

I am therefore to submit for the consideration of the Marquess Curzon of Kedleston that representations be now made to the French Government on the lines proposed by Their Lordships on the 8th instant, and that in reply to the note of the Italian Government the action taken by His Majesty's

⁴ See No. 738, n. 2.

⁵ See No. 743, n. 2, below.

⁶ See Enclosure in No. 737.

Government should be explained and the Italian Government informed that in His Majesty's Government's opinion it would be better to postpone a conference of the kind suggested until the French reply has been received.

I am, &c.,

B. P. BLACKETT

No. 740

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received November 22, 8.30 a.m.)

No. 527 Telegraphic [C 22164/2740/18]

Confidential

BERLIN, November 21, 1921, 5.30 p.m.

Chancellor sent a memorandum¹ to reparation commission² yesterday, stating that Germany was endeavouring to obtain the necessary to enable her to cover the January and February payments. Repayment of these advances would, however, cause subsequent complication and increase the difficulty of later reparation payments. Reparation commission was requested to take this fact into account.

At an interview with commission, chancellor added to above statement an account of negotiations between German government and industrial leaders at which the latter had stated that a temporary short advance was impossible and that only a longer loan operation afforded hope of solution.

Reparation commission deliberated on the above position during most of the day yesterday finally coming to the conclusion that they would not make any reply to German government before leaving Berlin. I gathered that their discussion was not free from asperity, French member being gravely disappointed at the decision not to reply to German government immediately and severely. He threatened to resign.

Principal opponents of French view were American³ and Belgian⁴ delegates who held that a severe reply destroyed the chances of obtaining advance while a mild reply had no point.

It would seem that French opinion has got to open its eyes without delay to facts of the position and on business lines. Blindness and pressure for immediate payment without any consideration for reaction on the future financial position is not only dangerous to politics but is to be deprecated from the standpoint of cupidity itself and as imperilling the interests of other creditor countries.

¹ Dated November 19. A copy was enclosed in Sir J. Bradbury's report to Sir B. Blackett, see No. 741, below.

² See No. 733, n. 1.

³ Mr. Boyden.

⁴ M. Delacroix.

No. 741

Letter from Sir B. Blackett (Treasury) to Sir E. Crowe
[C 22282/2740/18]

LONDON, *November 22, 1921*

My dear Crowe,

I enclose a copy of a letter dated yesterday (with enclosures) from Sir John Bradbury as to the visit of the Reparation Commission to Paris [Berlin]. This is all we have had or are likely to have about the visit till Bradbury comes over at the end of this week.

It is fairly certain that the British aim must be to give Germany a considerable breathing space—say two years at least without payment other than deliveries in kind—as soon as possible, and at the moment the best way of achieving this seems to be to press for the payment of the January and February instalments with a view to granting a moratorium as a condition of the loan from the industrialists which will be needed to enable Germany to make these payments.

Would it be possible for the Foreign Office to bring influence to bear on Italy in the sense desired by Sir J. Bradbury?

I enclose two memoranda¹ on reparation questions which I have just written for the Chancellor of Exchequer, which may interest the Foreign Office.

Yours sincerely,
BASIL P. BLACKETT

ENCLOSURE IN NO. 741

Sir J. Bradbury (Paris) to Sir B. Blackett (Treasury)

Confidential

REPARATION COMMISSION, PARIS, *November 21, 1921*

My dear Blackett,

I enclose a short note¹ narrating the course of events during our visit to Berlin.

I do not propose at this stage to send an official report, since, until we hear further from the Germans in regard to their attempts to obtain credits, the situation is quite indeterminate.

I concentrated on the short-credits suggestion partly because, so long as there is any hope of getting the January and February payments (which go to Belgian priority) Belgian support for postponement cannot be relied on, and partly because I am convinced of the *mauvaise volonté* of a considerable section of the German industrialists, and that, if they can be forced to take responsibility for repayment of short-credits, they will in fact have to provide for the repayment out of their foreign hoards, which otherwise cannot be tapped at all.

¹ Not printed.

Also this method of approach brings up the moratorium question in the most convenient form. The fact that the Commission has given the credits question so much attention makes it very difficult for us to say later, if the credits prove impossible to obtain, that it is possible for Germany to pay without them. If, on the other hand, the credits prove, owing to the position taken up by possible lenders, to be possible only upon a promise of a moratorium, the commission will, if it refuses to entertain the suggestion of a moratorium, find it difficult to report Germany for voluntary default.

On the other hand, the only pressure we can exact on the industrials is the terror of a Ruhr occupation. I have therefore let the French press this on their own account for even more than it was worth. It was unfortunate that the 'Information' tried to commit me to it definitely by falsely reporting me to have made a private statement to Wirth, which I had to let him deny on my authority. But even so, I was able until Saturday² to keep up the general impression of unanimous firmness on the part of the commission which I think is essential at this stage.

Our proceedings after our Saturday's interview with Wirth were unfortunate. His statement was certainly disappointing as showing that the industrials are still playing with the idea of the long-date loan (for which, in any case, there is not enough time). On the other hand, Boyden and Delacroix felt even more strongly than I did that any public statement which would be interpreted by the French as committing the Commission against any abatement from the full rigour of the Schedule of Payments would be fatal to the continuance of the credit negotiations altogether.

I therefore maintained my opposition to an immediate formal pronouncement, and though Dubois³ could have carried it against me by his casting vote (Salvago Raggi⁴ unaccountably supporting him and Boyden of course not having a vote), he funk'd it at the last minute.

The recent behaviour of my Italian colleague has been very curious. He seems to have convinced himself during our Berlin visit that the January and February instalments can be paid and to have become inclined to threaten extreme steps if they are not.

This bluff would be admirable if it comes off, but there is great danger of its playing into the hands of the French and committing us to reporting Germany for wilful default if the payment is not in fact made.

I can't suppose that Rome wants this situation to arise, but Salvago Raggi is always more pre-French [*sic*] than his instructions, and if you could find any means for getting him told by his Government to keep his hands free to vote for postponement, if it should prove to be necessary, it would be very useful.

I have written this in a hurry as I only had just time to catch the bag. I shall try to prevent any further developments until I have seen you. I will come over on Saturday⁵ as you suggest, unless in the meantime the situation makes it desirable to get away from Paris earlier.

² i.e. November 19.

³ French representative on the Reparation Commission.

⁴ Italian representative on the Reparation Commission.

⁵ i.e. November 26.

I am rather alarmed at the city attitude, as reported to me by Kindersley.⁶

If the industrials can be made responsible for the repayment in foreign exchange of the credits necessary for the January and February payments, I think it is desirable from every point of view that the credits should be forthcoming.

I do not want to have to grant a moratorium without making the industrials bleed—quite apart from the fact that if the matter comes to a head at once, it is not at all improbable that the commission will by a majority report Germany for voluntary default and so make drastic action by France almost inevitable.

Yours sincerely,
JOHN BRADBURY

⁶ Sir Robert Kindersley, a director of the Bank of England, who had been on a visit to Berlin.

No. 742

The Marquess Curzon of Kedleston to Colonel Ryan¹ (Coblenz)

No. 200 [C 21351/15264/18]

FOREIGN OFFICE, November 23, 1921

Sir,

I have received Mr. Robertson's despatch No. 436 of the 4th November,² in which he asks for instructions as to the attitude that the British delegation on the Committee of Experts should adopt in view of the German observations arising out of article 2, article 9A (paragraphs 2 and 3), and article 9B of the draft Licensing Agreement.³ Mr. Robertson's despatch and its enclosure raise three principal points: (1) the question whether the Licensing Commission will be concerned only with discrimination affecting goods originating [in] or destined to Allied countries; (2) the interpretation of the word 'discrimination' in article 2 of the draft agreement; and (3) the suggested rationing of occupied territory in exports and imports.

2. As regards the first of these points, the resolution of the Supreme Council of the 13th August contemplates an organisation to ensure that no discrimination is exercised 'contrary to the provisions of articles 266 [?] 264]—267 of the treaty.' The treaty forbids, in effect, any discriminatory treatment of the nationals of each and all of the Allied countries, as compared with the nationals of any other foreign country or German nationals. It would appear, therefore, that the commission should, in the exercise of its functions, be prepared to investigate any complaints received from Allied nationals,

¹ Mr. Robertson left Coblenz on November 16 to take up his appointment, which dated from December 1, as H.M. Agent and Consul-General at Tangier. Colonel Ryan was in charge of the British section of the Inter-Allied Rhineland High Commission until the arrival of Mr. Robertson's successor, Lord Kilmarnock, on December 3. Lord Kilmarnock's appointment was announced in *The Times* on November 7, p. 9, and dated from December 1.

² Not printed.

³ See No. 724, n. 2.

established as traders in the occupied territory, as to the preferential treatment of traders of German or other nationality, even though the goods, in the importation of which they are interested, come from non-Allied sources.

3. As regards the definition of the word 'discrimination' in article 2, the Germans appear to have asked for assurances under two heads: (a) that discrimination will not be held to include the fixing of prices adapted to the market of the country of destination; and (b) that it will not include a requirement that payment for certain classes of goods, when exported into countries having a high rate of exchange, is to be made in foreign currency, the amounts thus obtained being placed at the disposal of the Reichsbank.

4. It is evident that the German contention under (a) above might involve the recognition of the right of export control organisations to fix different minimum prices, *in marks*, for one and the same class of goods, varying according to the proposed destination. Any such procedure, whatever its ostensible reason, would clearly be in direct conflict with the provisions of the Treaty of Versailles. There is, however, no objection to an insistence, in the case of goods, payment for which must be obtained in the currency of the importing country, that the amount of foreign currency shall be determined in relation to a *fixed* mark price by conversion at the ruling rate of exchange; provided always that whatever detailed regulations on the subject are adopted shall be published for general information, and shall, with any variations made from time to time, be applied in similar circumstances and under equal conditions to all traders in the occupied territory.

5. As regards the requirement (see (b) above) as to payment for exported goods in foreign currency and the cession of such currency to the Reichsbank, it is evident that such a system might conceivably result in an indirect discrimination against certain high exchange countries (notably the United States of America and the United Kingdom). None the less, it seems undesirable to press the point against the German Government, in view of the reasons underlying this particular measure of export control. The operation of such regulations should, however, be carefully watched; and it should be made clear to the German delegates that the Allied Governments reserve the right to require the German Government to take the necessary measures, should it appear hereafter that a situation has arisen which imposes unfair disabilities of a serious character on the trade of any of the Allied countries with Germany. The Licensing Commission will, of course, take the necessary steps to ensure that such regulations on this subject as may be from time to time adopted are applied uniformly as between all exporters in the occupied territory.

6. Subject to these observations, and subject to the views of the Reparation Commission, there appears to be no reason to dissent from the terms of the answer to points (a) and (b) above already returned to the German delegation by the experts, to the effect that action of the kind indicated should only be taken after the issue of public administrative regulations to be applied in similar circumstances and under equal conditions to all traders in the occupied territory. Such a procedure would, moreover, seem to be in no

way inconsistent with that laid down in the note addressed by the Conference of Ambassadors to the German Government on the 22nd June, 1920.⁴

7. There remains the third point raised in Mr. Robertson's despatch. The German Government object to the demands of the Allied experts contained in paragraphs 2 and 3 of section (a) and in section (b) of article 9, to the effect that a definite percentage of imports and exports must be allotted to occupied territory, and that the Allied Licensing Commission must be kept informed of this percentage, which they should have power to revise. The German Government point out that the Supreme Council resolution of the 13th August laid down that 'the sole object of the licensing organisation is to ensure that the operation of the German licensing system does not result in setting up discriminations contrary to articles 264 to 267 of the Treaty of Versailles so far as the occupied territory is concerned.'

8. The German objections under this head seem to be well-founded. Articles 264 to 267 forbid only discrimination against Allied nationals in the German import and export licensing control as applied to Germany as a whole. They make no distinction whatever between occupied and unoccupied territory, in the former of which alone it was intended to secure, by means of licensing control, additional guarantees against discrimination. The reasons for the inclusion of paragraphs 2 and 3 of article 9 (a) and of article 9 (b) in the draft agreement are therefore not understood, since any discrimination by the German Government, in the matter of trade control, against the occupied territory as a unit is outside the commission's purview.

9. The experts contend, indeed, that the proper functioning of the licensing control is dependent on the allocation of a definite percentage of imports and exports to occupied territory. But it is not clear why the communication of the import and export statistics (provided for by article 9 (a) of the draft agreement) should not be sufficient for the purposes of the Licensing Control Commission. The provisions of paragraphs (b) and (c) of article 9 (a) and of article 9 (b) thus appear to be unnecessary. Moreover, they would tend (as the Germans observe) to widen the economic breach between the Rhineland and the rest of Germany, a tendency which it is no part of the policy of His Majesty's Government to encourage.

10. It is true that the German Government, by refusing to issue any licences, or by unduly restricting the issue of licences, to traders established in the occupied territory, or by subjecting the issue of licences there to more onerous conditions than in unoccupied Germany, might well bring about a situation which, in effect, would be discriminatory against the trade of particular Allied countries with Germany as a whole. Such action would, however, not be discriminatory so far as the occupied territory is concerned, to which the resolution of the Supreme Council is restricted. Such a situation would have to be dealt with by the Allied Governments as a contravention of the Treaty of Versailles, apart from the special arrangements now under discussion.

11. I therefore request that you will instruct the British delegation on the

⁴ Printed as document No. 167 in Cmd. 1325 of 1921.

Committee of Experts to press for the deletion of paragraphs 2 and 3 of article 9 (a) and of article 9 (b), and at the same time to explain that His Majesty's Government are unable to accept the interpretation of the Supreme Council resolution of the 13th August, implied by the inclusion of those provisions in the draft agreement.

I am, &c.,

CURZON OF KEDLESTON

No. 743

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 3083 [C 22125/416/18]

FOREIGN OFFICE, *November 23, 1921*

My Lord,

Your telegram No. 872¹ of the 11th November regarding the Wiesbaden Agreement has been carefully considered here.

2. I now request that your Excellency will make a communication to the French Government to the following effect:—

3. His Majesty's Government have taken note of the decision of the Reparation Commission of the 20th October, 1921, referring to the Allied Governments the questions raised by the Wiesbaden Agreement.² They await the proposals of the French Government for meeting the points raised by the Reparation Commission, and, in particular, for providing the safeguards, indicated by the commission as necessary to protect the interests of the partners of France in the reparation payments. Pending the receipt of these proposals, His Majesty's Government do not desire to express any opinion concerning the exact nature of the safeguards which they will require.

4. His Majesty's Government view with concern the delay on the part of the French Government in ratifying the financial agreement of August 13th, 1921.³ In the opinion of His Majesty's Government, it would serve no useful purpose to enter upon an inter-Allied discussion as to the confirmation of the Wiesbaden Agreement until the financial agreement has been ratified.

5. The Belgian, Italian and Japanese Governments have been invited (the former through His Majesty's Ambassador at Brussels, and the two latter through their representatives here) to instruct their representatives at Paris to make similar communications to the French Government.⁴

I am, &c.,

CURZON OF KEDLESTON

¹ No. 731.

² The Commission had accepted the general principles of the Wiesbaden Agreement, but had decided to refer to the separate governments those points which might involve certain departures from the provisions of Part VIII of the Treaty of Versailles.

³ See No. 670.

⁴ In Foreign Office despatch No. 820 of November 23 to Brussels and identical notes to the Italian and Japanese Ambassadors in London on November 25.

Memorandum by Mr. Wigram on the reparation situation

[C 22604/2740/18]

FOREIGN OFFICE, *November 25, 1921*

I. *The Facts*

(1) *Germany's foreign currency obligations*, as from present date to May 1, 1922.

(a) under May ultimatum.

	gold marks	1275 millions
less value of 5 months deliveries in kind and proceeds of Reparation (Recovery) Act		
		<u>229</u> „

	gold marks	1046 „
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(b) repayment of foreign loans, food credits, clearing office balance and costs of armies of occupation

	gold marks	<u>1484</u> „
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Total	gold marks	<u>2530</u> „
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Thus Germany, to meet her obligations falling due between now and May 1, 1922, has to find in foreign currencies some 400 to 500 million gold marks per month—(1 gold mark now equals some 50 to 55 paper marks).

To meet the January reparation payment alone, Germany must find in foreign currencies about 408 millions gold marks before January 15th 1922.

(2) *Germany's budget for 1921-1922.*

	<i>Receipts</i>	<i>Expenditure</i>
Ordinary Budget	65·0	51·5
Extraordinary Budget	10·0	29·0
Treaty Budget	—	68·0
Deficit	<u>73·5</u>	<u>—</u>
	148·5	148·5

(N.B. figures in thousands of millions of paper marks, as estimated by committee of guarantees about middle of October, exchange being calculated at 30 paper marks to 1 gold mark).

The monthly budgetary receipts thus average from 4 to 6 thousand millions of paper marks, whilst the January reparation payment alone at current rates of exchange (see (1) above) is equivalent to over 20 thousand millions of paper marks.

(3) *Comparative rates of taxation in Germany and principal allied countries.*

No later information is available than that compiled by the Brussels conference in January 1921,¹ at a time when the mark stood at about 260 to the £1, the franc at about 60 and the lire at about 100.

¹ See No. 422, n. 1.

The Brussels calculations were as follows:—

	<i>Average permanent direct taxation per head of population</i>	<i>Average indirect taxation per head of population</i>	<i>Total Tax revenue (Including local taxation) per head</i>	<i>Total Govt. expenditure per head</i>
Germany	377 marks	148 marks	599 marks	1808 marks
France	169 francs	120 francs	390 francs	1210 francs
Italy	105 lires	94 lires	200 lires	714 lires
United Kingdom	£10 sterling	£7 sterling	£22 sterling	£25 sterling

It must be remembered that fresh taxation has been imposed in Germany since the date of the Brussels report. No information is available as to how the present rates compare with the French, Italian and British rates, though the committee of guarantees have recently announced their intention of making enquiries.

II. *The Issue*

From section I above, it should be fairly clear that (whatever the adequacy or inadequacy of past efforts) Germany can, in the immediate future at any rate, do little more to meet the reparation payments out of the proceeds of taxation. The negotiation of a loan—whether internal or external—remains her sole refuge from the consequences of default. This is, of course, in present circumstances, a very temporary refuge.

At some time within the next few months, therefore, the allies will (unless they wish to produce complete financial chaos in Germany) have to suspend the reparation payments and declare a moratorium.

The real issue with the French will probably not arise on this point, nor does it seem probable that, in this connection, fresh punitive military measures will be pressed upon us.

The issue will arise rather on the degree of allied control to be exercised over the reconstruction of German finance during the period of the moratorium.

Is Germany to be allowed to reconstruct and re-establish her finances with no greater degree of allied supervision than is implied by the existing machinery of the committee of guarantees, or is financial supervision, resembling that which has at various times been imposed in Turkey and Egypt, to be imposed on Germany under threat of occupation? Will the allies in fact insist on allied control of German revenue and expenditure, German currency issues and foreign currency transactions, and German import and export policy?

This will probably be the real issue. The manner, in which the French will endeavour to decide it, is scarcely doubtful.

R. F. WIGRAM

No. 745

*Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received December 1)*

No. 913 Telegraphic: by bag [C 22607/2740/18]

PARIS, November 30, 1921

Your Lordship will see from the daily Press summaries that considerable excitement and hostility is being aroused here by the visits to London of Stinnes and Rathenau¹ and by the rumours that His Majesty's Government are contemplating, at the instance of Sir John Bradbury, the granting of a moratorium to Germany. These proceedings are represented here as being quite inconsistent with the inter-Allied solidarity which His Majesty's Government expect from France.

Would not the issue of some sort of official communiqué be advisable?

¹ Herr Stinnes and Dr. Rathenau visited London from November 19 to 24, and November 28 to December 10 respectively. During his visit Dr. Rathenau had interviews at the Treasury on November 29, December 1, and December 6. (See *The Times*, November 30, p. 10, December 2, p. 10, and December 7, p. 9.)

No. 746

Sir E. Crowe to Sir B. Blackett (Treasury)

[C 22282/2740/18]

Urgent

FOREIGN OFFICE, November 30, 1921

My dear Blackett,

The papers enclosed in your letter of the 22nd instant,¹ giving as they do a full picture of the view that the Treasury take of the whole financial and economic situation, are exactly the sort of thing that we want for our information and guidance. I am much obliged to you, not only for sending them, but for sending them so promptly. If we can continue to be fed with timely material of this kind, I feel confident that the difficulties which we recently discussed will disappear.

You ask whether we should be prepared to bring pressure on the Italian government to join us in resisting the French, who, when the crisis comes, will try to wreck any agreement to postpone Germany's obligations. I welcome this suggestion. I would go further. I understand that, when the Cabinet have approved the scheme for a moratorium on certain conditions, you intend to send an official to Rome and Brussels to enlist Italian and Belgian support. What I would suggest is that, in order to make this process more effective, you should let us have as soon as possible the text of instructions which we could telegraph² to our representatives at those places, whom

¹ No. 741.

² The draft telegram was transmitted by Mr. Fass (Assistant Secretary at H.M. Treasury) to Mr. Waterlow on November 30. Lord Curzon minuted on December 1 as follows: 'Do not send this telegram until you have seen Cabinet Minutes. The final decision in a

we would wish to inform of your representative's visit and of the policy the Cabinet decide to pursue. The two Ambassadors could, at the same time, be instructed to explain the whole position to the respective Foreign Offices and to enlist their support, both in shepherding the Reparation Commission along the right path and, if necessary, in concerting diplomatic action with us.

Pending this action, would it not be well to take every precaution to prevent information being given to the press as to our intentions? I notice, for instance, that there is a long message from Paris, evidently derived from an authoritative British source, in the 'Westminster Gazette' of November 29.

Yours sincerely,

EYRE A. CROWE

discussion which was adjourned was I think that the Ch[ancellor] of the Exchequer should go at an early date to Paris to talk with M. Loucheur and Col. Theunis. The Italian was not mentioned. I don't like this circuitous action at Brussels & Rome, which will immediately become known, & the passage marked A [not marked on filed copy] is particularly invidious. I think a better & less vulnerable plan must be adopted.'

No. 747

Memorandum by Mr. Waterlow on German Reparation

[C 22814/2740/18]

FOREIGN OFFICE, *November 30, 1921*

The Cabinet will consider this question to-morrow and will have the annexed Treasury memorandum before them.¹ The memorandum, I am told, does not represent the Chancellor's policy in one important respect. The words 'subject to payment of the January and February instalments' should be omitted; for the Chancellor intends to urge that we must press for the moratorium without these payments, which amount to about £30,000,000, the greater part payable in January. Further, more definite proposals as to the precise conditions of the moratorium will be before the Cabinet:² they are directed towards the control of the German budget and practically amount to the 'Ottomanising' of Germany.

As regards the waiving of the January and February instalments, the expert view appears to be that insistence on their payment will precipitate the crash. It means that the mark will dwindle towards zero. That is dreaded in London, because the London houses that have been financing German imports of food and raw materials will have given their credits for

¹ Not printed. It was dated November 28.

² The conditions proposed in the Chancellor's memorandum were: the abolition of all subsidies, the provision of a budget surplus, the stoppage of note printing, the calculation of customs duties in gold, the reconstitution of the Reichsbank, and an increase in the internal price of coal. Germany's obligations during the moratorium should be limited to (a) the delivery of two million tons of coal a month; (b) other deliveries in kind up to the value of 400-500 million gold marks; (c) payment in cash of 240 million gold marks for the costs of armies of occupation.

nothing: so far as British finance is concerned, the moratorium, including the postponement of the January and February payments, is an absolute necessity. A corollary, if German finance is broken, will be a further violent depreciation of the franc, with the result that London houses will withdraw their credits to French enterprises, e.g., French railways. It will be as bad for Paris as for London. In Germany the stoppage of credits will mean that prices will soar, and that imports of food and raw materials will become impossible, with unemployment and starvation on a large scale. The political dangers are obvious.

The position may be simply summed up in this way. The German Government cannot make further payments unless the industrials will find the necessary foreign exchange. The industrials will only do that if they can get credits in London. They cannot get credits in London unless there is a moratorium, for London finance regards the position as hopeless otherwise.

The problem is to get the French to agree to this policy. Clearly there must be a Supreme Council, and soon. But this time we must go into the Council with definite assurances—not merely vague and verbal, but written agreement covering all technical points—of Italian and Belgian support in advance. To this end the Treasury are sending an expert (Mr. Fass) to Rome and Brussels.³ He reaches Brussels on Friday morning,⁴ and will be preceded by telegrams to our representatives at those places instructing them to give him facilities and to bring the necessary pressure on the Belgian and Italian Governments. The telegrams will be submitted when the terms of the Cabinet decisions are known.⁵ This department and the Treasury are working in closest contact throughout.

Personally I doubt whether the French in their present temper will prove amenable to purely financial argument, although the Treasury have various levers they can use, and although we can point to the curtailment of British credits that must be the consequence of the further fall in the franc that will follow on persistence in pressure on Germany. We may have to withdraw, or to threaten to withdraw, from the Reparation Commission.⁶ A breach with ourselves would be financially disastrous to France. On the other hand, they are so desperate financially—their budget deficit is now some £350,000,000 *sterling*—that they may welcome a breach and revive the spectre of an invasion of the Ruhr. There is something to be said for postponing our quarrel with them on armaments until this reparation question is settled.⁷

S. P. WATERLOW

³ See Nos. 749, 751, 753, 754, and 755, below.

⁴ i.e. December 2.

⁵ See No. 746, n. 2.

⁶ This possibility was mentioned in the Chancellor's memorandum as a means of obtaining Italian and Belgian support for the British policy.

⁷ Lord Curzon initialled the following minute, of November 30, by Sir E. Crowe:

'From conversations which I have had with Sir B. Blackett, I gathered the impression that the Treasury plan was to couple the suggestion of a moratorium with some definite proposals to France to come to her financial assistance for the year 1922 which would facilitate

her acceptance of a scheme by which German reparation payments would be postponed for a time.

'It is clear that if such a plan exists and is found practicable, the chances of avoiding a violent disagreement, if not a definite breach with France will be materially enhanced. Any such scheme should therefore have Foreign Office support. For from the point of view of general foreign policy, the maintenance of the Entente remains of supreme importance. Some of the Treasury and other Downing Street tendencies are towards the substitution of an Entente with Germany in the place of that with France. This is a chimaera under present conditions and must remain so for a long time to come. What we, and what the whole world wants, is peace. Peace must for the present rest on the execution of the peace treaties. These would hardly survive a breach between England and France at this moment. E. A. C.'

No. 748

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received December 2, 8.30 a.m.)

No. 917 Telegraphic: by bag [C 22661/2740/18]

PARIS, December 1, 1921

My telegram No. 913 of yesterday.¹

Press campaign against alleged Anglo-German negotiations is increasing in violence. This morning's 'Figaro', in a particularly offensive article, says that the grant of a moratorium to Germany, openly spoken of in the 'semi-official Daily Chronicle', will only be to the disadvantage of France, who is always alleged to have received more than her share. 'It is officially established that the French soldier is the one who costs the least. Perhaps that is why he was so little spared on the battlefields when the fortunes of all the Allies were at stake'. Article adds that His Majesty's Government now refuse to accept Wiesbaden agreement unless French Government ratify August financial agreement:² this is all that France has obtained by refraining from occupying the Ruhr in May. The same note is sounded, though with less violence, by other papers, with the strange exception of the 'Homme Libre', which maintains that His Majesty's Government are perfectly entitled to follow France's example in discussing matters with Rathenau and that it is the positive duty of the Reparation Commission, under article 234 of the Treaty of Versailles, to consider such questions as the granting of a moratorium to Germany.

Both the 'Figaro' and the 'Homme Libre' reproach French Minister of Finance for having left question of August agreement where it was without producing any counter-proposals. Latter paper informs its readers that Belgian Government have officially protested to French Government against the Wiesbaden agreements. This fact, if true, has not been made known here.

Lord Derby's speech³ has been received with enthusiasm, and his phrase as to the identity of French and British frontiers with Germany is quoted

¹ No. 745.

² See No. 670.

³ At the dinner of the Association des Sphinx on November 29, see *The Times*, November 30, p. 12.

with great approval by many newspapers, which profess to see in his utterances a proof that English public opinion is not really on the side of His Majesty's Government in such matters as land disarmament and the attitude to be adopted towards Germany. Article in yesterday's 'Times', criticism of Your Lordship's policy in 'Daily Express', and Mr. Rudyard Kipling's recent remarks here⁴ as to the Rhine being the proper frontier of France, have all been used to create the same impression.

⁴ Mr. Kipling had been in France to receive honorary degrees from the Universities of Paris and Strasbourg, see *The Times*, November 21, p. 14, and November 28, p. 9.

No. 749

Record by Mr. Fass (Treasury) of an interview with the Belgian Ministers¹

[C 23197/2740/18]

BRUSSELS, December 2, 1921

Before calling on M. Theunis I saw the Ambassador, who told me that he had had a call from M. Jaspar to express his very grave concern at the suggestion that there should be a moratorium; he said that M. Theunis had told him that if such a moratorium was decided upon he would resign all responsibility for Belgian finances.

M. Theunis was in a state of considerable excitement, and appeared to be very angry. He had just received from M. Delacroix a report of a conversation between the latter and Sir John Bradbury, in which Sir John Bradbury had formulated the British proposals for the moratorium, and had said that the British Govt. would withdraw from the Reparation Commission unless the British proposals were accepted. I found that M. Delacroix had had from Sir John Bradbury practically the whole of the draft instructions from H.M. Government to the British Delegate, though perhaps not in quite so precise a form, and the proposal[s] had been represented as a reduction of Belgian priority by 50%.

M. Theunis commenced a somewhat violent attack on Lord d'Abernon. He said that up to about six months ago he had sympathised with Lord d'Abernon on the violent, and, as he then thought, unfair attacks on him by the French. He had since had occasion to change his mind. Th[e]s[e] proposal[s] w[ere] Lord D'Abernon's proposal[s]. He had discussed [them] with the German industrial magnates,² sent them over to London and followed them, and their publication³ on his arrival in London clearly showed their origin.

¹ This record was communicated to the Foreign Office by the Treasury on December 5.

² See No. 745, n.1. In his telegram (unnumbered) of November 20, Lord D'Abernon, having reported that Sir J. Bradbury proposed to go to London to discuss the reparation question, suggested that he should be in London at the same time. In his telegram No. 250 of November 22, Lord Curzon approved Lord D'Abernon's proposed visit.

³ The reference is presumably to an article in *The Times*, December 1, p. 10, entitled 'A Reparation Holiday'. For Sir John Bradbury's denial of having made written proposals for a moratorium, see *The Times*, December 2, p. 12.

He next complained of the maladroitness of the British Government in allowing their publication, thus driving Belgium into the arms of the French and to a policy of force. The moratorium had not even been asked for by Germany; Germany was still pursuing negotiations with France on the Loucheur-Rathenau Agreement under which she assumed a liability heavier than that imposed by the Schedule of Payments. Here was the richest Allied creditor nation proposing to let off Germany from giving France and Belgium the satisfaction that was universally recognised as their due for the benefit of her own trade. He recalled that Mr. Lloyd George at Spa had said that one of the reasons why Great Britain found herself able to accept a reduction in the percentage of reparation receipts⁴ allotted to her was the prospect of obtaining compensation in trade.

Belgian priority was sacrosanct; Germany could pay and must pay. The control now suggested by Great Britain should have been imposed by the Reparation Commission years ago. There could be no question of a bargain with the German Government, under which they would give control in return for a moratorium. The Belgian position was that they were faced with a series of difficult years. They had to make vast payments for restoration. Belgium was confident of getting things right in time but her confidence in her power of recuperation depended upon her assurance that Germany would have to pay. Those payments would decrease as years went by and as the German payments increased Belgium would be able to wipe out the debt incurred to provide for the expenditure of the earlier years. Not only was the receipt of the whole of Belgian priority essential, but she must demand also the amount to which her 8% would entitle her in the coming year. If she did not get it, he, M. Theunis, would not continue. Belgium would have nothing to do with the moratorium; she would gain more by a policy of force.

It seemed inadvisable to attempt to check the torrent, and I left my points until M. Theunis had finished. I then explained that there had been a complete misunderstanding of the position, that the Reuter telegram⁵ represented much more nearly the facts than the Paris reports. It was not Lord d'Abernon's plan at all and it had nothing whatever to do with the visit of the German magnates to London. As far as I knew Herr Stinnes was trying to get money for railway development, and Rathenau for similar enterprises, though of course I had not seen either of them. Both I understood had failed because the City would not lend money that might be applied to pay reparation. It was the result of Sir John Bradbury's report⁶ on the financial condition in Germany, which was that the German Government were powerless to get hold of the foreign currency owned by German Nationals; that they probably would not be able to get a loan from the German industrials; that unless they could obtain a loan from England or America they could only get the necessary foreign exchange by selling marks which they would have to print. The depreciation of the mark would be so great that Germany

⁴ See Vol. VIII, Chap. VIII, p. 635. v

⁵ Printed in *The Times*, November 30, p. 10.

⁶ See No. 729, n. 1.

would find herself unable to import her necessary raw materials and food. The City would not lend to the industrials in circumstances in which the industrials would be forced to hand over the sums borrowed to the German Govt. for reparation.

M. Theunis had agreed, when last I saw him, that it would be better not to let default happen; the only alternative to something in the shape of a moratorium was force, and Belgium had all along been against force. Probably what Sir John Bradbury meant in his conversation with M. Delacroix was that British public opinion would not tolerate force, for Sir John would be the first to recognise that it was for the Government to decide whether or not to be represented on the Reparation Commission, and the Government had come to no decision and was merely considering avenues for escape from two courses which both spelt disaster. Their idea of the plan was to obtain control by giving something which the Wirth Govt. could represent as a concession, and which would enable them to retain power. It was not of course clear that the Wirth Govt. could accept the proposals. We should be no better off if we insisted upon control, and brought down the Wirth Govt., for each succeeding Govt. would fall in turn, and the exercise of force would be merely a question of time.

As to the Belgian priority, there was never any suggestion that there should be any reduction, although of course the reduction for the period of the moratorium in the requirements from Germany from three milliards to one milliard would mean a postponement.

At about this point M. Jaspar telephoned and asked M. Theunis to bring me over to see him. He had an air of profound depression. M. Theunis recapitulated what had passed, and M. Jaspar said that it was clear that there would have to be an immediate conference. I said that I thought that a conference might be necessary, but we must first of all prepare the ground. Time and again we had gone into conference only to find a possible solution at the last moment by a compromise. Time and again the position between ourselves and the French had been saved by Belgium, but in the nature of things there was generally not sufficient time to explore the compromise thoroughly, with the result that after a little it had been found not to work. M. Jaspar said that the time for suggesting a compromise was at the last moment, and that it would otherwise have no success. I suggested that what would happen would be that we would be confronted with the French, with whom at the moment our relations were rather delicate, and the French would probably propose force at once, and there would be a position of great difficulty; whereas, what the British Govt. were now doing was exploring the ground to find a proposal which could be accepted by most of us as reasonable. The British point of view was that Germany could not pay without a disaster. M. Jaspar agreed that Germany could not pay. I admitted that we had got into a false position by the publication of the proposals, but we had not the control of the press, and it was very difficult to prevent these things from escaping. I said that Belgium was the country mostly interested, and her suggestions would naturally carry the greatest weight. I was horrified to

think it possible that Belgium would prefer force to something on the lines of what we had suggested. M. Jaspar said that it was necessary to get rid altogether of the word moratorium. Belgium and France must have the money. He suggested that Britain should lend it, and when I said that that would obviously create political difficulty at home he said that his suggestion was rather that the bankers in London should lend money to Germany. The security would be the security of the industrial concerns. I explained the position taken up by the City. As to the amount, M. Jaspar said that the loans would have to be for the amount of the difference between what was to be required from Germany during the period of the moratorium, and the amounts payable under the Schedule of Payments. The loan [would] have to have priority over reparation.

M. Theunis also suggested the old idea of a share issue by German Companies, the shares to be delivered to the Reparation Commission and sold by them. I said that it had been canvassed in London, but it really only meant offering a mark security for sale with no certainty of what the mark would be worth. M. Theunis replied that the shares might be in another currency, and quoted the position in the occupied districts where all transactions were in francs. M. Theunis said it was essential, from his point of view, that the Belgian Budget should show on the credit side sums *receivable* from Germany. M. Jaspar mentioned the French statement that if they did not get payment they would get compensation in the dismemberment of Germany. I said that that raised, I imagined, horrible political questions which everybody else would be anxious to avoid. It was to find a means of avoiding them that I was here.

M. Jaspar asked when I was returning to London, and I said that I did not think he would like me to go back and say that not only would Belgium not look at the moratorium, but would prefer the use of force to any reduction in the payments to be made from Germany. As it was Belgian interests which were first touched, could I not take back a Belgian proposal? I told them that my instructions were to explore the position also with the Italian Govt. M. Jaspar said that I should get no satisfaction there; that in Berlin the Italians had said one thing to the Germans, and another to the French, another to the Belgians and another to the British. I said that I should like to be able to go to Rome with the view of the British Govt. on the Belgian proposal, but our Government's view was that the position was critical and that an early decision was necessary. The upshot of it all was that M. Jaspar, who I think was once more pleased with being put in a position in which he might bring about an accommodation between the French and the British views, said they would need time to consider and promised to let me have the Belgian ideas on how the situation was to be met by 5 o'clock tomorrow.

[H. E. FASS]

No. 750

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received December 3, 10.50 p.m.)

Unnumbered Telegraphic [C 22973/2740/18]

Private and personal

PARIS, December 3, 1921, 8.5 p.m.

In conversation with Monsieur Briand this morning a reference having been made to presence of Rathenau in London I told him conversation now in progress in London was analogous to those which had taken place between Loucheur and Rathenau at Wiesbaden.¹ I also added that I was aware that you were advising cabinet strongly to avoid any controversy with France over reparations and proposal for a moratorium and that idea of sending over the Chancellor of the Exchequer to meet Loucheur and Belgians had been discussed in cabinet.

Monsieur Briand replied that he had understood presence of Rathenau and that he approved in principle of idea of conversations on the same sort of lines as those which had taken place at Wiesbaden.

As for a visit from Chancellor of Exchequer to Paris to discuss reparations he would welcome it if it were decided upon by cabinet.

I also mentioned to him most privately and confidentially that you were considering the idea of Supreme Council meeting at Constantinople.² He thought it an admirable suggestion in every way. He promised to keep it to himself.

¹ See No. 681.

² The projected conference would have dealt with the question of the re-establishment of peace in the Near East and of the revision of the Treaty of Sèvres.

No. 751

Record by Mr. Fass (Treasury) of an interview with the
Belgian Ministers¹

[C 23196/2740/18]

BRUSSELS, December 3, 1921

I resumed the discussion with Monsieur Jaspar and Colonel Theunis this afternoon. Colonel Theunis said that he had been considering possible solutions but that he did not think it advisable to formulate proposals precisely. What was in his mind was a short dated loan, say 10-15 years, at say 7 or 8% to the German Government or to German nationals by London, secured upon specified German revenues. He had in mind chiefly customs, and he thought there would be ample security for any loan if the Customs duties were paid in gold. He recognized that the lenders would require control and that the proposal involved something analogous to a debt council in Germany. I said that as I explained yesterday the difficulty in London

¹ This record was communicated to the Foreign Office by the Treasury on December 5.

was to find an inducement to the bankers to lend the money.² They could find plenty of uses for their money which would entail advantages beyond the mere interest which would be paid. While from the purely financial point of view there might be ample security for the services of the loan they would always be faced with the political risk, i.e. that there might be a revolution in Germany or trouble with France which would result in a position like Russia in Central Europe by which any chance of the recovery of their capital would be destroyed. Colonel Theunis's answer was that the bankers would risk losing far more if there was a revolution as a result of their refusal to grant a loan, than they would risk by lending their money on the terms he proposed. The bankers interest was of course to get rid of reparation payments which were a hindrance to trade and the British Govt. were helping them. I explained that this was a matter purely for the bankers to decide, that the British Government would not be able to interfere in any way. If the Chancellor called them together and suggested a loan he would involve himself in a moral responsibility [*sic*] for its repayment in full. This position had in fact resulted from a certain credit opened by accepting houses and bankers in London and the Chancellor of the Exchequer had in fact been compelled to satisfy the lenders.

I asked what would be the Belgian Government's proposals in the event of failure to obtain the loan. Colonel Theunis said Germany could get the money. If they took the necessary financial measures their credit could so improve that he was convinced that the loan would be forthcoming if the British Government really wanted it, in spite of my objections, and the only alternative he could see was the declaration of Germany as in default and forcible measures.

(At this moment Monsieur Delacroix arrived. Colonel Theunis explained to him how far we had got and what he had put forward as the Belgian idea of meeting the situation).

Monsieur Delacroix explained at great length his point of view and recounted the opinions expressed by Sir John Bradbury and Mr. Boyden, and other members of the Reparation Commission.³ He said in the first place that only one solution was possible and that was a loan in London or America. We reargued the possibility of a loan. Monsieur Delacroix said that the German Government were anxious to carry out this proposal and had plenty of security to offer. He considered that the Reparation Commission would guarantee out of the proceeds of the export tax in Germany sufficient to cover the service of the loan. The amount of it would be the difference between Germany's liability under the Schedule of Payments and the amount to be demanded. He said that in Berlin the American unofficial delegate had expressed the view that it was well within the capacity of Germany to pay one milliard in kind and one milliard in foreign currency. On that account alone he could not look at Sir John Bradbury's suggestion of one milliard in kind and only 240 millions in cash. He thought that 400 millions would be required for the cost of the armies of occupation.

² See No. 749.

³ See No. 741.

At this point we broke into a discussion of the question of the armies of occupation. Colonel Theunis, whose attitude was all through inclined to be hostile, criticised our insistence on actual cost which was greater than the French or Belgian cost per man. M. Jaspar said that the Belgians all along had pressed for reduction in cost. I explained that we asked no more than the actual cost and I asked what their proposals were on the report of the Commission which considered this question.⁴ The report was entirely useless as a contribution to the solution. I said that our view would probably be that a substantial reduction would have to be effected in the person[n]el to bring the cost within 240 millions, the amount specified in the Wilson-Lloyd George-Clemenceau declaration.⁵ Colonel Theunis thought that a reduction of men to this extent could not be made but Monsieur Jaspar seemed to be of a different opinion. Colonel Theunis said he thought they might consider reducing the demand on Germany to the difference between the cost per man at home and the cost per man in the Occupied Territory. I said that the question of men was a military question but from the Treasury point of view, we should prefer to have no men than to have less than their cost. Monsieur Jaspar said it was of great importance for Allied solidarity for us to keep his [*sic*] flag flying and was obviously anxious that we should not withdraw our men.

I asked Monsieur Delacroix whether in his opinion the note sent on the 2nd December to Germany⁶ would be sufficient so to strengthen the German Government as to enable them to obtain from their nationals the foreign exchange which they undoubtedly possessed. He said that in his opinion (which he kept repeating) the loan was undoubtedly necessary and was the only solution. Colonel Theunis, however, insisted that the German Government must get hold of the exchange belonging to their nationals which was more than sufficient to cover the January payment; that the Reparations Commission ought to have seen that the German Government had done this long ago, which led to a discussion between Monsieur Delacroix and Colonel Theunis as to faults of omission and commission of the Reparations Commission.

I asked Monsieur Delacroix for his idea as to the course of events on the assumption that the loan was not forthcoming. He said that the Reparations Commission's plan was to require the German Government to take steps well in advance to cover the payments and to warn them that, if they were not satisfied as to the adequacy of these steps they would report the German Government as in default. I asked whether that did not mean the occupation of the Ruhr and the crash reached through one of the paths contemplated by

⁴ In fulfilment of the Supreme Council decision of August 13 (see Vol. XV, p. 738) a commission was set up to consider the cost of the armies of occupation and the civil commissions set up by the treaty of peace. The commission held its first meeting on October 18 and submitted its report on November 5. A copy of the report, not here printed, is preserved in the Foreign Office archives (C 21849/1418/18).

⁵ Of June 16, 1919, printed as Cmd. 240 of 1919.

⁶ The text of the note of December 2, from the Reparation Commission to the German Government, is printed in *The Times* of December 3, p. 12.

the British Government. Colonel Theunis interjected that they were tired of finding excuses for the German Government and of British support of the German Government in difficulties created by them alone in face of the obvious necessities of the Allied powers entitled to substantial reparation. He saw nothing for it but force so far as he was concerned. Monsieur Jaspar interposed that he would regard force as a disaster and his point of view was rather that they feared that they would not be able to restrain the French Government from exercising force with the same success as they had had before on this question.

I then asked if we could get back to the amount which could possibly be required from Germany whether or not they were successful in arranging a loan. Neither Monsieur Jaspar nor Monsieur Delacroix, I believe, think that the Schedule of Payments could be fulfilled, though the latter thought a very much larger proportion could be found in kind. Colonel Theunis said that Belgium at present was getting about 50 millions in kind including coal and, given good will on the part of the German Government, this might be increased to 100 millions. France, on the other hand, would be getting about 800 millions and her percentage of satisfaction would be very much larger than that of Belgium. The industries of Belgium were in competition with those of Germany, and Belgium had not the power of absorbing anything like the amount of material that France could take.

Monsieur Delacroix asked if the Clearing Office payments⁷ were to be made during any period of reduced payments and Colonel Theunis asked what was being done. I said that substantial progress had been made with the settlement of debts owing to British nationals, that the reason why we had absorbed so much of the £2 millions a month which Germany paid was merely that our claims had been accepted by the German Government while the French and Belgian Governments had been late in putting in their claims. The amount received was strictly in proportion to the admitted claims. Colonel Theunis remarked that nevertheless as usual Great Britain had received the money. She had also got large reserves of German assets which were as yet untouched. I said that these were pledged to the payment of claims (the amount of which was to be settled by the Mixed Arbitral Tribunal)⁸ in respect of the liquidation and interference with British businesses in Germany. I said that so far as we were concerned it was essential that these Clearing Office payments should go on, otherwise we should have to ask the taxpayer for the money to pay the debt and that for the same reason we must similarly retain the assets for the purpose of meeting the claims put forward by British nationals up to the amount awarded to them by the Mixed Arbitral Tribunals.

Monsieur Jaspar said that the result of it all was that there would have to be an Allied Conference. I said that probably the British Government would recognise this but that they might well feel that it was useless for them to go to a Conference if it was clear to them (1) that no loan to cover forthcoming

⁷ See No. 422, n. 6.

⁸ Set up under Part X, Section VI, Articles 304 and 305 of the Treaty of Versailles.

payments could be raised in London or America (2) that failure to obtain a loan would mean default on the part of the German Government or such a printing of notes as would make Germany a rival to Poland in 'exchange' (3) that the French and Belgian Governments would, in the event of failure and the resulting default, insist upon the occupation of the Ruhr. I thought that before agreeing to take part in such a Conference H.M. Government might think it necessary to ask the French and the Belgians to declare their policy.

Colonel Theunis said that there was a party in Germany among the industrials which would welcome the occupation of the Ruhr, as disposing of the last threat of the Allies. I said that it might bring not only disastrous economical consequences but political consequences in the dismemberment of Germany which I imagined might not be agreeable to Belgium. Monsieur Jaspard said that the Belgian Government would not be able to face a reduction in the amount provided for by the Schedule of Payments, and public opinion might drive her, much against her will, to support a French plea for force if these were not forthcoming. There must be a loan. As a parting shot Colonel Theunis said that after all what the bankers in London were after was the alteration in Germany's favour of the Schedule of Payments, the British Government abetting, which neither he nor the French Government would tolerate for a moment, Monsieur Delacroix adding that the French Budgetary position depended entirely upon the receipt from Germany of 52% of the payments made in accordance with the Schedule of Payments. Colonel Theunis asked finally if I was going to Rome and I said I could not say.

Generally the attitude of Colonel Theunis had hardened considerably as compared with the end of yesterday's interview and represented far more nearly his frame of mind when I first saw him. He was continually trying to read into our proposals an endeavour by the British Government to get rid of the Schedule of Payments in favour of the expansion of British trade and to swindle Belgium out of her priority. I assured him that that was not at all the point of view and that what I was there for was merely because we thought a crash was coming in one or [? of] two ways and we wanted to avoid it. We entirely recognised, and have always supported, Belgium's priority and there was no foundation whatever for his assumption that we were seeking to evade our obligations with regard to it. Monsieur Jaspard on the other hand was at times obviously disturbed by Colonel Theunis's vehemence and insisted upon the desire of the Belgian Government to avoid the use of force and their inability to restrain the French. My conclusion is that, unless money is forthcoming for the unsatisfied part of Belgian priority, it will come to a question of whether or not she will take the French side on the occupation of the Ruhr and face the consequences. At present the Belgian Government want to give the impression that they will be bound to follow the French whatever happens in the hope of forcing a loan to cover the payments due to them.

[H. E. Fass]

No. 752

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 701 Telegraphic: by bag [C 22953/2740/18]

Private and urgent

FOREIGN OFFICE, *December 5, 1921*

Prime Minister and Chancellor of Exchequer think that solution of reparation question would be facilitated if they could have preliminary personal and informal discussion with M. Loucheur. They are anxious that he should come here for this purpose as soon as possible.¹

We do not want M. Doumer and we should like M. Loucheur's visit to have the appearance of being made on his personal initiative, although of course the French government must be cognisant of the facts. I leave to your discretion the best method of securing these *desiderata*; whether by private communication between yourself and M. Briand or by using Sir J. Bradbury as channel. In any case Sir John should be kept informed and consulted.

¹ M. Loucheur went to London on December 8.

No. 753

*Record by Mr. Fass (Treasury) of an interview with the
Italian Ministers¹*

[C 23209/2740/18]

ROME, *December 7, 1921*

I saw Signor Di[De] Nava² and Signor Soleri³ this afternoon. I explained to them that we saw coming in the not far distant future a crash in Germany which would be reached by one of two paths if matters were allowed to drift much longer. In five weeks' time five hundred million gold marks had to be found, four weeks after that another two hundred and fifty million, of which only one hundred and fifty million had so far been covered. We had been advised by our delegate on the Reparations Commission that there was no possibility that the German Government could find the money except by raising an external loan. While it was true that German nationals had probably stored abroad large quantities of foreign currency, there was no machinery by which the existing Government, or any other, could lay hands upon these hoards. We were advised that the German Government had failed in its negotiations with the German industrials for a loan, and the only alternatives before Germany were financial inflation and note printing, or a loan abroad. It was pretty clear from the negotiations of Stinnes and Rathenau in London that the City was not going to lend money to German

¹ This record was transmitted in Rome despatch No. 994 of December 9, received in the Foreign Office on December 12.

² Italian Minister of the Treasury.

³ Italian Minister of Finance.

industrials which could, and probably would, be taken over by the German Government.

This left the printing of notes, which meant that in a very short time German exchange would be in the position of the Austrian exchange, and it would be impossible for her to buy the raw material and food-stuffs required for her industries and her maintenance. Unemployment and famine would follow. This was one of the paths which would lead to the crash. In our view a crash was equally certain if the German Government were left to default on the payments. It would by that time be almost impossible to prevent the French, and perhaps the Belgians, from insisting upon forcible measures, such as the occupation of the Ruhr. This, in our view, would put an end to all chance of obtaining more reparation, and it was now looked upon by France rather as a means of smashing Germany than of obtaining payment.

I then explained our suggestions for a moratorium, and told Signor Di Nava that they were formulated somewhat precisely for the purpose of laying down the standard to which we should require Germany to work. They were intended to indicate what we thought was necessary, but they were capable of modification in any direction. We were, at the same time, ready to consider any other method of escape from the dilemma we saw, and in fact if he knew of any better hole we should be glad if he would show it to us.

Signor Di Nava said that his ideas were, in general, on the same lines as our own, but Italy was in an especially difficult position in regard to her budget and had hope of recovering something from Germany to go to the credit side of the account. It was clear that while France, if the Spa proportions⁴ were preserved, could get something substantial in respect of her 52%, Italy would have very little to show for her 10%. I said that 10% of one milliard was better than of nothing at all, and before he got 10% of anything there was the Belgian priority to be disposed of. The precise figure depended on the amount to be struck by the Reparations Commission, but I thought the balance due to her was about forty millions.

Signor Soleri asked how the half milliard of deliveries in kind other than coal would be distributed, and I said that that would be a matter for bargaining, but we had no fixed ideas on the subject, and that I imagined that there would be Loucheur-Rathenau agreements⁵ all round and that it was not very likely that we should want very much. Signor Soleri then asked how this moratorium proposal would tally with the Loucheur-Rathenau agreement and how, indeed, the existence of that agreement tallied with the statement that Germany could not pay. I said that I thought that neither Germany nor France believed that much would come of it. Signor di Nava suggested that it might be part of the Italian consent to the scheme that there should be a rearrangement of the percentages during the years of the moratorium to be accounted for later on. I said that we had not got so far as to consider this sort of point, but clearly there might be scope for an arrangement. It might be difficult to require the Allies receiving deliveries in kind

⁴ See Vol. VIII, pp. 635 and 643.

⁵ See No. 681, n. 1.

to pay cash for them during the moratorium, and that postponement of payment would of course be greatly welcomed in France. It would secure to her what she attempted to secure by the Loucheur–Rathenau agreement, but left over the difficult question of how to provide for Belgian priority. Signor di Nava said that priority was given under conditions that did not contemplate a moratorium, and it was right that it should be waived during the moratorium. I explained that I had just left Brussels and I had found great anxiety on the part of Belgian Ministers lest there should be any infringement at all of the priority, the Finance Minister going so far as to say that he would prefer taking his chance by the occupation of the Ruhr than having to face Belgium with a proposal of this kind.

I told Signor di Nava that Sir John Bradbury formed the impression that the Marquis Salvago Raggi must have received instructions from his Government in a somewhat different sense than formerly, as he had been inclined in Berlin to support the French demand for immediate vigorous action, which might produce the financial crash there and then.⁶ Signor Soleri said that he knew there had been some disagreement between the Marquis Salvago Raggi and Sir John Bradbury, but it was always for the Italian Government to decide on a question of this sort.

In connection with the moratorium plan, Signor di Nava asked for our proposals with regard to the limitation of the cost of the armies of occupation. I said that the report of the Commission, which he had apparently not seen, was entirely valueless owing to the French refusing to discuss a diminution in the number of men, and the Americans refusing to discuss accepting from Germany less than the cost per man. I said that we had proposed that the question should be referred to the Ambassadors' Conference in Paris, and had instructed our Ambassador to press for a reduction from 182,000 to 89,000 men, which would reduce the cost to the two hundred and forty million gold marks.⁷ Failing this I thought that we might consider an all-round reduction of say 40% of the cost per man, representing to some extent the difference between the cost per man in Germany and the cost per man had he been kept at home.

Signor di Nava explained that he had been so occupied with home affairs that he had not been able to give the reparation problem the thought which it required, but he proposed to see the Foreign Minister and Prime Minister with Signor Soleri and would be glad to discuss the question again on Friday morning.⁸ Signor Soleri asked how we would view as an alternative to a moratorium a reduction in the total of German indebtedness. I said I thought this would be a more difficult proposition for the French than a moratorium. They would construe it as the first of similar proposals which would lead in the end to the forgiveness of the debt.

H. E. FASS

⁶ See No. 741.

⁷ See No. 751.

⁸ i.e. December 9.

Record by Mr. Fass (Treasury) of interviews with the Italian Ministers¹

[C 23209/2740/18]

ROME, December 8, 1921

De Martino, the Italian Ambassador in London, called upon me last night and said that he was very anxious that I should see the Prime Minister, and that he had arranged an interview with him for to-day. My appointment with the Marchese della Torretta was for 10.30 a.m. I gave him the British views of the position, pointing out that although the question was primarily one of finance, if no solution were found political issues of great importance would arise. He said that Italy was an importing nation, that their [her] natural market for many commodities was Germany, and that it was therefore essential for her that the Germans should be not only at peace, but at work, and her financial position was accordingly as important to Italy as was the settlement of political difficulties. He said that Italy was ready to range herself entirely on the side of Great Britain on the question of a moratorium, provided, of course, that she could do so without any loss to herself. I said that the gist of the proposals was that Germany should, for the period of the moratorium, pay less than she was required to pay under the Schedule of Payments. All the Allies entitled to reparation would, therefore, receive less for the moratorium period than they would have received had a moratorium been unnecessary. It was a question of sacrifices all round if foregoing in advance what you did not expect to receive could be described as a sacrifice. The Marquis della Torretta replied that Italy had always been in a special position and that her sacrifices had never been understood by the rest of the Allies. She had entered the war voluntarily at a critical period, and peace had found the Allies, except Italy, with all their questions settled, but none of the questions in which Italy was particularly interested had been dealt with. The question of the Adriatic in particular was still unsolved. So far Italy had had no return at all for the great sacrifices, financial and other, which she had made. I said that this was rather a question, not of compensation to the Allies but of the settlement of a problem which might well disorganise the whole of Central Europe, and which might inflict greater damage to Italy than the rest of the Allies. I pointed out that the country most concerned in the loss, if it could be called a loss, for to do so assumed Germany's capacity to pay, was Belgium, and that if the Allies had to make concessions to any particular Ally it seemed likely that the strongest case would be put forward by Belgium. I explained to the Marquis della Torretta the attitude which the Belgians had taken up, of which he already appeared to be aware, and I said that the probability that Colonel Theunis would be Prime Minister made the question all the more difficult. I said that questions of compensation had not been considered by the British Government, who

¹ This report was transmitted in Rome despatch No. 994 of December 9, received in the Foreign Office on December 12.

looked at the problem rather as one which demanded concessions all round. The financial position of Great Britain did not allow her to follow the course which she had been able to take during the war. The Marquis della Torretta said that the financial issue raised technical questions which did not fall within his province, but that he could assure me that the attitude of the Italian Government would be entirely in favour of whatever steps, including the moratorium, were necessary to prevent a financial crash in Germany, or violent action on the part of the French which would produce the same result. He said that the whole question was to be considered at once by the Italian Cabinet.

My appointment with Signor De Martino was for 11.30, and we called at once on the Prime Minister who was engaged at the Senate. After waiting more than an hour, Signor Bonomi postponed the interview until 11.30 tomorrow morning. Meanwhile Signor De Martino was rather more frank about the bargain which Italy desired to drive. He said that before the war, although Italy was a member of the Triple Alliance, she had always looked to Great Britain for support in Mediterranean questions against France, that his one endeavour was to recover this position which had been lost meanwhile owing to the work of M. Venezelos,² that during the Peace Treaty discussions Greece, in spite of Italian warnings, had been allowed to undertake burdens and responsibilities³ which were quite beyond her power, that events had shown that even M. Venezelos was unable to carry out the Allied programme, and it was now clear that Greece was incapable of holding the provinces allotted to her.⁴ Italy had sought no territorial compensations because she thought that they would involve her in a war with Turkey which might last many years, and which she would be financially unable to support. She had sought instead concessions which had not been granted to them [her]. He remembered Mr. Lloyd George saying that he regarded Asia Minor as an outlet for the superfluous population of Italy.⁵ A revision of the Turkish treaty⁶ had to be made and he hoped that the Italian Government would be able to come into line over the German question and that the British Government would be able, with equal facility, to adopt the Italian point of view as regards the Near East. I said that all this was a political matter which I was not of course in any way competent to deal with, but that at first sight it seemed to me that it would be difficult to bring the two questions into any relation with each other. The German question needed immediate action, and while I felt sure that the Chancellor would sympathise with the difficulties of the Italian Finance Minister, the real question seemed to me to be whether, even if a re-arrangement of the distribution of the receipts in kind from Germany [was effected], whether on [by] the alteration of the percentages which I thought was extremely difficult, or by loans between the

² M. Venezelos had, as Greek Prime Minister, been in London from February 15 to April 14, 1920, in connexion with the discussions of the Inter-Allied Conference there of the Turkish peace treaty and the future of Smyrna. (See Vol. VII, Nos. 8, 24, and 26.)

³ See Vol. I, No. 10.

⁵ See Vol. XV, p. 695.

⁴ See Vol. XIII, Chap. I, *passim*.

⁶ Of Sèvres, see No. 750, n. 2.

Allies of material of which they might be in need, the Italian Government would have to face the crash which would result from leaving events to take their course. Signor de Martino said Monsieur Briand had pronounced against the moratorium, but he thought nevertheless that if Great Britain and Italy definitely rejected the idea of the occupation of the Ruhr, it would be difficult in the face of the world for France and Belgium to act alone.

Signor Soleri, with whom I lunched, carried a little further the question of financial compensation to Italy in return for her consent. His idea seemed to be that, assuming a new arrangement of percentages impossible, if the deliveries to be made during the moratorium were to be divided according to the Spa percentages,⁷ Great Britain would not require them and might transfer her share to Italy. Italy wanted mainly coal and machinery. I said that both these were, of course, British exports, and even if the difficulty of the Belgian priority could be got over, it might be somewhat embarrassing to the British Government to order commodities, which Great Britain herself could supply, from Germany for the benefit of Italy, and I asked whether he could not suggest other commodities of which Italy stood in need which were not British products. He said he had in fact a list of what was required in Italy and he would consider the list from that point of view.

My impression is that while the Italians are naturally anxious to make a bargain of their consent, their fear of the predominant position which France would assume in the event of the political dissolution in Germany will probably secure their consent to a moratorium without any concessions at all.

H. E. FASS

⁷ See Nos. 749, n. 4, and 753, n. 4.

No. 755

*Record by Mr. Fass (Treasury) of interviews with the
Italian Ministers¹*

[C 23297/2740/18]

ROME, December 9, 1921

I saw Signor Bonomi with Signor De Martino this morning, and went over the same ground once more. Signor Bonomi said that he was completely in accord with the point of view of England, but that it was necessary for him to examine with his Ministers the exact effect on the Italian financial position of the English proposals. This he would do at once and would let me know, through Signor Di [De] Nava, in the course of the afternoon the decision of the Italian Government.

I saw Signor Di Nava in the afternoon and he said that the Italian Government accepted the British proposals as the basis for discussion. Italy's financial position, however, made it necessary for her to require certain conditions which were as follows:—

¹ This record was communicated to the Foreign Office by the Treasury on December 12.

a. During the moratorium period Italy should receive not less than two hundred million gold marks in deliveries in kind, including coal. I pointed out as to this that even assuming German capacity to make the 'Schedule of Payments'² payments, Italy, in view of Belgian priority, could not look to receive much more than two hundred or two hundred and thirty million gold marks next year. The sacrifice therefore which she proposed to make was not very large. Signor Soleri, who was present, replied that in the following year Italy would receive, on the assumption that Germany could pay, three hundred and thirty million gold marks so that she was foregoing one hundred and sixty million in two years, or three hundred and twenty if the moratorium was extended to four years. I said that the whole discussion was based upon the assumption that Germany could not pay.

b. The Italian Government consented to the proposal that Germany should be required to increase the internal price of coal to the world price, but she must insist on receiving gold from Germany at the existing price.

I said that this would not work, that under the treaty Italy would be charged with the internal price in Germany, or the export price as the case might be, that Italy, if she got coal at less than the world price, could sell it at the world price and make a profit which was really a reparation payment by Germany, to the benefit of which Germany was entitled. Signor Soleri replied that of the coal supplied by Germany, two hundred and sixty thousand tons were required for the State railways, and the amount upon which a profit, if there was any, after freight had been taken into account, could be made was small. I said that there might possibly be some arrangement for postponing Italy's debit in respect of the difference between the world price and the price at which she wanted to get her coal, though this would be very difficult, but I imagine[d] that in any case the world price would be included in the two hundred million gold marks' worth of deliveries which Italy wanted. Signor Di Nava replied that this would exhaust by itself the whole of the two hundred.

c. Italy would require the support of Great Britain for an agreement with Germany on the lines of Loucheur-Rathenau. I said that I thought that there would be no difficulty as regards this point.

d. Italy would require to be relieved from payment of cash for any excess over two hundred millions in the value of deliveries actually made, the excess being used to cancel C. Bonds. I said I thought this was quite impossible, and Signor di Nava suggested as an alternative that it should be carried forward against future credits.

e. Italy would require the ratification of the August 13th Agreement. I said that Great Britain had always insisted that this agreement should be ratified.

f. Italy's consent involved the postponement of Belgian priority. I said that this followed from the suggestion that no ally receiving deliveries during the moratorium period should pay cash for them until it was over, and that this was precisely the point which raised the difficulty about Belgian priority. It seemed to me that Belgium would be entitled to demand the whole of the

² See Nos. 638, n. 1, and 645, n. 3.

deliveries up to the extent of her priority, and I asked where, it was suggested, the special deliveries beyond her percentage which Italy demanded were to be found, the Italian Ministers of course intending that they should be found out of our twenty two per cent.

Signor Di Nava finally said that the consent of the Italian Government to our suggestion must be regarded as a further sacrifice on the altar of the old friendship between Italy and Great Britain, and that the British Government should appreciate that it would bring upon her difficulties with her French and Belgian friends.

I said it was important that [there should be] no mistake in the conditions which Italy asked Great Britain to accept and asked that I might have them in writing.³ Signor Di Nava agreed and promised that I should have them before I left.

³ The enclosure below.

ENCLOSURE IN No. 755

*Statement by the Italian Government respecting British proposals
for a moratorium*

*Translation.*⁴

The Italian Government is considering the reasons submitted to it in favour of contingent consent to postponing a portion of the payments on account of reparation.

It will also require to know the views of France and Belgium in regard to this matter, and more especially as concerns Belgium's priority right.

In any event, it would be impossible for the Italian Government to share the point of view of the British Government set forth in the memorandum handed in by Mr. Fass, unless there is certainty with regard to the following points:—

(1) Payment in full of the Italian share of 10%, which is already a fairly restricted one, in view of the serious losses which Italy would suffer in the event of so great a reduction in the German payment; in any event, the effective contributions in kind received by Italy, independently of Belgian priority, never to be of a lower value than 200 million gold marks per annum. This would have to be assured by means of a charge⁵ on the British share.

(2) No alteration in the present state of affairs in regard to the coal which Germany is bound to give to Italy on account of reparation of war losses and damage; the price of that coal to be maintained at its present figure, whatever might be the eventual increase for German consumers.

(3) No excess amount received by Italy in respect of her own share of reparations in kind, and no share which Italy might eventually receive during the period of partial suspension of payments, to be returned or paid in cash, but carried forward to succeeding years.

⁴ This is a translation made in the Foreign Office from a copy in Italian which has not been preserved in the Foreign Office archives.

⁵ A note by the translator here read 'Assegnazione?'

(4) Italy to participate on a footing of complete equality with the other Allies in any system of control or supervision to be created in regard to Germany.

(5) The British Government to adhere to the Italian point of view regarding the exclusion of the f.o.b. price of coal loaded in non-German ports, and that the British Government should likewise support the exclusion of the f.o.b. price of coal loaded in German ports provided for in the Treaty of Versailles.

(6) England to support Italy for the purpose of obtaining ratification by the French Government of the Financial Agreement of 13th August, 1921, in so far as Article 5 thereof is concerned.

(7) The moratorium to entail the adjourning (*rinvio*) of Belgian priority.

(8) Italy to be empowered to enter into agreements with Germany similar to the Loucheur-Rathenau Agreement, or to make arrangements with German producers in regard to the question of reparations in kind, and England to undertake to support Italy in demanding the approval and validity thereof.

(9) In regard to the proposed export duty payable in gold by German producers, Italy to reserve the right of considering the question.

No. 756

The Marquess Curzon of Kedleston to the French Chargé d'Affaires
[C 22930/416/18]

FOREIGN OFFICE, *December 9, 1921*

Sir,

In reply to your memorandum of the 29th ultimo,¹ as to the Wiesbaden agreement and the ratification of the inter-allied financial agreement of August 13th last, I have the honour to inform you that His Majesty's Government did not fail to study with care the considerations set out in your memorandum of the 8th ultimo.² That communication, however, while indicating the objections entertained by the French government to certain proposals for protecting the interests of the other Powers entitled to reparations, does not state what alternative proposals the French government desire to suggest for the achievement of this necessary purpose. His Majesty's Government therefore are still of opinion that, before further action is taken, it is desirable that the French government should make known their proposals on this subject.

2. As regards the connection between the Wiesbaden agreement and the question of the ratification of the financial agreement of August 13th last (which His Majesty's Government cannot regard as a matter for decision by

¹ Not printed.

² No. 728.

national delegates on the Reparation Commission), I have the honour to submit the following observations:—

3. I understand that Monsieur Doumer's visit to London last September³ was in the nature of a personal visit and that he was not authorised by the French government to negotiate, and that on his departure he expressed the intention of submitting a memorandum on the subject of the financial agreement, which has not in fact been received, and which, I understand, will not now be submitted. In these circumstances His Majesty's Government cannot but feel that the action of the French government in not ratifying the agreement, and their delay in dealing with it, has given them reasonable ground for disappointment. The agreement was itself little more than an undertaking by the French government to give effect to previous agreements, subject to certain concessions made by the new agreement in favour of France and Italy by Belgium and this country. It has never been suggested that either Belgium or this country is willing to make further concessions, and, so far as I am aware, the Italian government are prepared to stand by the agreement signed by their plenipotentiary at Paris. It was on these assumptions that the Chancellor of the Exchequer recently stated in the House of Commons that he fully expected the agreement to be ratified.⁴

4. His Majesty's Government therefore remain of the opinion that a final settlement in regard to the agreement of August 13th is an essential preliminary to any discussion of the Wiesbaden agreement. No useful purpose, they conceive, would be served by considering the negotiation of new agreements on this subject with the French government, so long as they can feel no confidence that the French government will not protest against the execution of agreements into which they have already entered. The French government will, I am convinced, understand how far His Majesty's Government must be from feeling any such confidence, when they reflect that, in the present instance, the agreement to which they have refused to subscribe was a new one, modifying in their favour the conditions of earlier agreements; that it was negotiated at a conference attended by the finance ministers of Great Britain, Belgium, Italy and France and by the representative of the finance minister of Japan; and that it was signed by all these representatives, subject only to ratification by the French government, all the other representatives having signed as plenipotentiaries.

I have, &c.,

CURZON OF KEDLESTON

³ See No. 691.

⁴ See No. 739.

No. 757

Sir A. Geddes (Washington) to the Marquess Curzon of Kedleston
(Received December 11, 8.20 a.m.)

No. 798 Telegraphic [C 23136/2740/18]

WASHINGTON, December 10, 1921¹

My despatch No. 1201.²

Information has just reached me that Bergmann, despairing of raising a loan in this country, approached French premier while he was here³ and made a tentative arrangement with M. Briand regarding reparation payments.

Under alleged arrangement France would receive from Germany at once a lump sum in gold, amount to be agreed upon between French and German governments. In consideration for this payment which would greatly relieve her domestic financial difficulties, France would agree to postponement of all further reparation payments in gold for a period of four years. Germany would raise amount required by the issue of a domestic gold loan which would be taken up by German citizens having gold or gold equivalents outside Germany. No further details of this matter are available at present and my source of information has never been tested before, but report will probably be of interest to Chancellor of the Exchequer in connection with conversations with Rathenau.⁴

¹ The time of despatch of this telegram is not recorded.

² Of November 25, not printed. In this despatch Sir A. Geddes, having reported the visit of Herr Bergmann to the United States, continued: 'the main object of his visit is to endeavour to secure a gold loan from the United States which would have priority over the Reparations'.

³ M. Briand had been in Washington for the Conference on the Limitation of Armament; see Vol. XIV, Chap. VI.

⁴ See No. 745.

No. 758

Sir R. Graham¹ (Rome) to the Marquess Curzon of Kedleston
(Received December 14, 9.15 p.m.)

No. 508 Telegraphic [C 23357/2740/18]

ROME, December 14, 1921, 7.35 p.m.

My telegram 505.²

Minister for Foreign Affairs, whom I saw this morning, in confirming his intention to attend meeting at Paris, expressed general uneasiness felt here

¹ Sir R. Graham had succeeded Sir G. Buchanan as H.M. Ambassador at Rome on November 25.

² This telegram, of December 12, ran: 'Minister for Foreign Affairs is prepared to attend conference in person but could not leave Rome before the New Year.' Lord Curzon had proposed a conference of foreign ministers of France, Italy, and Great Britain with a view to arriving at a complete agreement between the Allies upon a solution of the Near East question which should be put before Greece and Turkey by the Supreme Council at a later date. See below, No. 768, nn. 5 and 20.

over report of forthcoming meeting between Mr. Lloyd George and Monsieur Briand³ to discuss reparations question. It was feared that some settlement might be reached over the head of Italy and that such a meeting ought not to take place without Italy being represented.

I pointed out that Mr. Fass had been sent here specially to ascertain Italian views on reparations question, and that while meeting of British and French Prime Ministers might do much to clear the air, there would be no danger of any decision being reached which affected Italian interests without Italy being fully consulted—also Belgium which was equally interested.

Minister for Foreign Affairs said that he personally agreed and felt no misgivings, but that he would be heavily attacked in the chamber and in the press on the subject. He would be glad that Your Lordship should know how it was regarded here.

There are indeed symptoms of press campaign of the nature foreshadowed.

³ For the minutes of the conversations in London between British and French Ministers, December 19–22, see Vol. XV, Chap. VII.

No. 759

*Lord Kilmarnock¹ (Coblentz) to the Marquess Curzon of Kedleston
(Received December 16)*

No. 475 [C 23443/15264/18]

COBLENTZ, *December 14, 1921*

My Lord,

In acknowledging receipt of your Lordship's despatch No. 200 of November 23,² I have the honour to submit to your Lordship certain observations as to the bearing of the instructions contained in the despatch on the principles which have hitherto guided the work of the Committee of Experts.

1. From the interpretation of the word 'discrimination' given in paragraph 2, when read in connection with paragraph 8 of your Lordship's despatch under reference, it would appear that the Supervisory Committee will be competent only to ensure that no discriminatory treatment of Allied nationals takes place as compared with the nationals of any other foreign country or German nationals, and that the discriminatory treatment of trade passing between Germany and each or all of the Allied countries will not come within its purview.

This interpretation differs somewhat from the interpretation which has hitherto guided the Committee of Experts. The Committee considered itself bound by the wording of the Resolution of the Supreme Council of August 13 last, which contemplated an organisation to ensure that no discrimination is exercised contrary only to provisions of articles 264 to 267 of the Peace Treaty. These articles would appear to forbid any discriminatory treatment of trade passing between Germany and each or all of the Allied countries, but not to refer to such treatment to the detriment of nationals of

¹ See No. 742, n. 1.

² No. 742.

the said countries, a matter dealt with under articles 276 *et sub* of the Peace Treaty, which the committee considered did not come within its competence to follow as they were not specifically named in the Resolution of the Supreme Council.

2. The views of the Committee of Experts as expressed in its reply to the German Government dated October 29³ appear to coincide with the views of His Majesty's Government as expressed in paragraphs 4, 5 and 6.

3. I duly note Your Lordship's instructions to the effect that the British Delegation of the Committee of Experts should press for the deletion of paragraphs 2 and 3 of article 9 (*a*) and article 9 (*b*) of the draft agreement submitted to the German delegation. That the inclusion of these paragraphs is not strictly essential is being proved at the present moment by the experience of the Licensing Office of the High Commission at Bad Ems.⁴ This office is now functioning without any contingent or quota having been fixed by the German authorities and without being in possession of any of the statistical information called for by the Committee of Experts. There exists, however, the danger that on the coming into force of the new régime the opportunities of conflict with the German Delegation would increase and would react unfavourably on the efficiency and the speed of the work of the Supervisory Committee. The disputes which would arise would probably be in those cases in which the German Delegation refused to issue a licence, either on the grounds that the import or export of a certain commodity was contrary to German interests, or that the occupied territories would be receiving more than their just share if such a licence were granted. The Supervisory Committee, on these occasions, before accepting such reasons as valid, would be forced to call for documentary evidence in support thereof, and the Germans would in the end have to supply data of the nature foreseen in articles 9 (*a*) and 9 (*b*) of the draft agreement. It was for these reasons that the Committee of Experts felt that it was necessary to include paragraphs 2 and 3 of articles 9 (*a*) and 9 (*b*) in the draft agreement, though it realised at the time the objections which were likely to be raised against these paragraphs in respect of the creation of an economic breach between the Rhineland and the rest of Germany.

From a conversation which Captain Georgi had a short time ago with Herr von Friedberg, the representative of the German Foreign Office on the Committee of Experts, it would seem that the German Government object to the inclusion in the agreement of any mention of a contingent or quota in favour of occupied territories, fearing that other German States with separatist tendencies would also claim special treatment of this nature, the granting of which would tend towards the dissolution of the economic unity of the Reich. Herr von Friedberg stated that the German Government would be inclined, rather than agree to a measure of this description, to allow the licensing organisation for occupied territory to operate on the same lines as the High Commission's Licensing Office is operating at present, subject to a much closer liaison between the German Foreign Trade Department in

³ Not printed.

⁴ See No. 669, enclosure 2.

Berlin than is now the case. The objections to such an arrangement are admitted, but from a German point of view would be outweighed by those inherent to [*sic*] the original proposals of the Committee of Experts.

The attitude of the French Government on this particular question appears to be undecided at present, but in my opinion it is not impossible that an agreement on these lines may ultimately be arrived at.

I have, &c.,
KILMARNOCK

No. 760

Sir R. Graham (Rome) to the Marquess Curzon of Kedleston
(Received December 16, 8.30 a.m.)

No. 509 Telegraphic [C 23459/2740/18]

My telegram No. 508.¹

ROME, December 15, 1921, 11.15 p.m.

I understand that after visit of Mr. Fass, Italian cabinet met to discuss their line of policy. President of the council² and minister of finance³ and minister of treasury⁴ were in favour of whole hearted support of British view but other ministers, including Minister for Foreign Affairs,⁵ were for a more cautious and non-committal policy. They argued that it was uncertain how far Mr. Fass' language represented official British view as he had been careful to (? observe) especially with regard to possible consequences of French occupation of Ruhr that he was expressing his own opinion only. Moreover they pointed out as a result of Monsieur Loucheur's visit to London⁶ or meeting of Mr. Lloyd George and Monsieur Briand, England and France might come to terms leaving Italy in the cold. Cabinet did not reach decision.

It is this want of confidence and fear of our making some agreement with France over their heads that renders it so hard to bring Italian government into line even when they are convinced our policy is the right one.

¹ No. 758.

² Signor Bonomi.

³ Signor Soleri.

⁴ Signor De Nava.

⁵ Marquis della Torretta.

⁶ See No. 752, n. 1.

No. 761

The German Ambassador to the Marquess Curzon of Kedleston
(Received December 16)

A. 3806 [C 23438/2740/18]

My Lord Marquess,

LONDON, December 15, 1921

I have the honour to inform you, by direction of my Government, that the following note was handed yesterday evening to the representative in Berlin of the Reparation Commission:—

‘Monsieur le Président,

‘As I stated to the Reparation Commission when they were last in Berlin,’

¹ See No. 740.

the German Government have left no stone unturned to ensure the payment of the two instalments which are shortly due in accordance with the schedule of payments dated May 5, 1921. As this could only be accomplished with the assistance of a loan raised abroad, for which active collaboration on the part of English financiers would be indispensable, the German Government entered into negotiations in London with a view to raising a loan of this nature. They were however notified by the competent quarter that by reasons of the conditions at present governing the German Government's liability to make payments to the Reparation Commission within the coming years, no such loan would stand any chance of success in England either in the form of a long-dated loan or in that of a short-dated bank credit.

'In these circumstances the German Government can no longer count on finding the full amounts necessary for the payment of the instalments falling due on January 15 and February 15 next. Even by exerting every effort and disregarding their own budgetary requirements the German Government are not able to raise more than about 150 to 200 million gold marks, apart from the value of deliveries in kind and credits derived from the Reparation (Recovery) Act.

'The German Government therefore feel compelled to request the Reparation Commission for a respite for the payment of the remainder of the instalments of the 15th January and 15th February, which cannot be met at those dates. They confine themselves in the present instance to this request although they are fully conscious that they will have to reckon with difficulties in connection with subsequent payments.

'I have, etc.,
WIRTH'

In acquainting Your Lordship of the foregoing, I have at the same time the honour to beg that the British Government may support the German Government's request as made in the above note. The German Government, which neglect no effort to fulfil their obligations towards the Allied Governments, are ready at any time to open negotiations in regard to securing the whole of the German obligations.

I have, &c.,
STHAMER

No. 762

*Mr. Addison (Berlin) to the Marquess Curzon of Kedleston
(Received December 17, 8.30 a.m.)*

No. 542 Telegraphic [C 23508/2740/18]

BERLIN, December 16, 1921, 8.40 p.m.

After informing me yesterday evening that note addressed to reparations commission¹ was being communicated to allied governments, Secretary of

¹ See No. 761.

State hinted that the whole procedure had been arranged in London between Herr Havenstein,² Sir Robert Horne, and the Bank of England, and that it was part of a plan to reinforce argument in favour of contention of His Majesty's government that there should be a moratorium.

Doctor Wirth made a confidential statement to German press representatives last night with a view to indicating the lines on which press comment should proceed. I learn privately that the gist was as follows:—

He emphasized the fact that reparation commission had repeatedly urged German government to seek to obtain foreign credits. German government had taken this advice. Herr Havenstein had been to London and his proposals had been rejected by the Bank of England. In financial circles of the world it was, therefore, considered that Germany was not solvent, that is, that she could not be given credit, as long as she had to fulfil reparation payments. He warned his hearers against basing any hopes on a breach between England and France. He stated that Mr. Lloyd George had scored a great success in Irish question³ and he hoped British prime minister would now have time to turn his attention to German affairs. He personally expected some result from the forthcoming meeting between British and French prime ministers.

Governmental and moderate press approve of chancellor's action as being the only possible policy. Press of Right emphasizes what it terms bankrupt policy of fulfilment. I learn that Right circles are nervous since they now fear that policy of a declaration of inability to pay which was always advocated by them may lead to some form of drastic French action.

Sum of 150 to 200 million gold marks mentioned in German note as constituting largest amount which could be paid in respect of January and February instalments would seem to be rather low as I understand from a reliable German source that 270 million gold marks had already been collected to meet January payment.

² President of the Reichsbank. For a reference to his visit to London see *The Times*, November 3, p. 10.

³ See Vol. XV, No. 105, n. 1.

No. 763

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received December 17, 8.30 a.m.)

No. 959 *Telegraphic: by bag* [C 23463/2740/18]

PARIS, December 16, 1921

The official notification received yesterday by the Reparation Commission to effect that Germany will not be able to complete the payments due from her on January 15¹ has been taken quietly by the French press. Comparative equanimity of public opinion is no doubt due to reliance on probability of agreed action by England and France in this contingency. Results of visit

¹ See No. 761.

of Monsieur Briand to London² are discounted and the improvement in tone of Paris newspapers visible during last fortnight remains undisturbed. It is still of course insisted that Germany possesses the means of paying the coming instalments, if she wishes to do so and that the French Government cannot on any consideration forgo the payments due from reparations or allow them to be prejudiced. But there appears to be a prevalent disposition to expect a general settlement which will solve financial difficulties among others. Sanctions accordingly are little discussed. Rumours of sacrifice on the part of Great Britain which would be of advantage to this country are, though widely credited, not welcomed with enthusiasm or regarded as implying any corresponding sacrifice here. The idea of a Moratorium for German payments is almost universally condemned but articles have appeared which admit its possibility under given conditions.

² M. Briand arrived in London on December 18. See No. 758, n. 3.

No. 764

The Marquess Curzon of Kedleston to Sir R. Graham (Rome)

No. 517 Telegraphic [C 23459/2740/18]

FOREIGN OFFICE, *December 19, 1921, 9 p.m.*

Your telegram No. 509¹ (of December 15: reparations).

Please assure Italian government that there is not the slightest danger that preliminary conversations² now taking place portend action prejudicial to Italian interests, and that no decisions can be or were ever intended to be taken without full consultation with Italian government.

¹ No. 760.

² See No. 758, n. 3.

No. 765

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 732 Telegraphic: by bag [C 23889/2740/18]

Urgent

FOREIGN OFFICE, *December 26, 1921*

Your telegram No. 972.¹

What precisely are French government's views and plans as to the nature, scope and duration of the discussions of the Supreme Council to be held at

¹ In this telegram of December 24, not printed, Lord Hardinge reported M. Briand as stating in the Chamber of Deputies on December 24, shortly after his return from London, that 'The conference at Cannes [see No. 767, n. 10, below] would be of great utility and would discuss other questions besides reparations'. Lord Curzon underlined the last four words, adding the annotation, 'What does this mean?' In a minute Sir E. Crowe commented that 'other questions' 'is apparently a euphemism for the recognition of the Bolshevik government at Moscow'. This question had been discussed at a meeting of the British Cabinet on December 16 and it was raised by Mr. Lloyd George in his talks with M. Briand in London

Cannes and how [do] they propose to be represented? We had understood original intention to be that they would be strictly limited to the subject of reparations; that no other subject would be raised, and that the meeting would not last for more than two days. It was understood that Ministers for Foreign Affairs as such would not attend, only experts being required to accompany prime minister.

on December 21. (See Vol. XV, p. 778.) At the Cabinet meeting it had been agreed that the Prime Minister, in his conversations with MM. Briand and Loucheur, should be perfectly free to examine all aspects of proposals for dealing with the problem of German reparations and *inter alia* a scheme for the formation of a syndicate of the Western Powers (including possibly the United States) for the economic reconstruction of Russia. It was resolved, however, that before diplomatic recognition of the Soviet Government was agreed to, the Cabinet should be consulted and that, in the meantime, the Ministers were in no way committed. Mr. W. S. Churchill, Secretary of State for the Colonies, wished his view to be recorded that at this stage no decision should be taken to accord diplomatic recognition to the Soviet Government. Mr. E. S. Montagu, Secretary of State for India, wished to put on record his view that any scheme concerning Russia must depend on the cessation of organized activities conducted under the auspices of the Russian Government against the British Empire. Lord Curzon, who had left the meeting before these discussions took place, subsequently asked that his opinion (that the Foreign Office should be consulted before any decision was taken concerning these subjects) should also be recorded.

No. 766

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received December 31)

No. 1439 [C 24173/2740/18]

My Lord,

BERLIN, December 26, 1921

I have the honour to forward herewith a memorandum regarding the supposed effect of German Reparation on trade and exchange.

I have, &c.,
D'ABERNON

ENCLOSURE IN NO. 766

The Supposed Effect of Reparation on Trade and Exchange

BERLIN, December 24, 1921

Two phrases which constantly recur in discussions regarding the reparation problem merit perhaps more careful examination than is usually accorded them.

These phrases are:—

- (a) Reparation by Germany can only be made through an increased export of German goods, and this export will necessarily be fatal to English industry.
- (b) Reparation payments are the main cause of the low level of German exchange.

Both these statements are designed, and are frequently used, to influence opinion regarding reparation from Germany. Whatever truth may be contained in them, they are both so elliptical and incomplete that they convey to most readers a totally erroneous impression of the real position. So much of the argument is left out that what remains gives merely a travesty of the truth.

I propose, therefore, to examine them in some detail.

As regards (a)—The essential and underlying cause of the danger to England of German commercial competition is not the demand for reparation, but the fact that German cost of production is infinitely below the British and American level. This proceeds from many causes. It is due partly to German workmen working more and getting less, particularly after a phase of heavy exchange depreciation, partly to improved methods and improved economy devised during the war, but mainly to the fact that German industry is subventioned while ours is taxed. For Germany the war was a period of hard work at low cost on a bare subsistence. For us it was a period of high production, at high wages and on an improved standard of living. The English workers during the war learnt to expect more; the German workers learnt to expect less. Add to this the contrast between the high taxation which is paid in England and the low taxation which is not wholly paid in Germany, and you have the two positions.

It is not disputed that non-payment of reparation by Germany would make the Germans better customers and lead to larger imports and smaller exports. But this aspect of the question must not be over-estimated. Neither is it disputed that there is a limit to German capacity to pay, and that it would be unwise on broader grounds to overload the working classes.

But, on the narrower question of the effect of reparation levies on commercial competition, it appears certain that the ultimate—on balance—result of exacting payments from Germany would be to increase German cost of production and, on balance, to render German competition less menacing. Conversely, non-payment by Germany would facilitate a continuance of the present subventions and of the present inequality of taxation. This fairly obvious truth is obscured to-day by the fact that the indemnity, in so far as it is paid, is not paid by taxation, but by inflation; while the present practice of subventions to German industry from the printing-press veils the true bearing of reparation payments upon trade.

The idea that England should abandon her demand for reparation in whole or in part may be wise or not; to suppose that it would conjure or diminish the danger of German commercial competition is so incorrect that in practice exactly the opposite result would occur. The particular danger would unquestionably be increased. Whatever might be gained in certain directions, we should have thrown away a powerful instrument of future equalisation of cost of production.

The root fallacy of the German system is to imagine that balance of trade is a cause and not a result. It is said, 'Germany has a debit balance of trade, therefore she cannot pay this or that'. The truth is that she has a debit balance of trade because she has not been compelled to pay out of income, and has

not been compelled to tax. Germany is to-day consuming more than she legitimately could if she met her obligations. Thus, what is in reality the result of non-payment of reparation is put forward as a proof of inability to pay. This is a complete inversion of cause and effect.

How to obtain equalisation of the cost of production may be a difficult problem—personally, I regard it as more difficult than reparation—but it is clear that a first step must be the removal of all indirect subventions to German industry which enable it to under-cut foreign competition, while a second measure must be the levying of such taxes in Germany as will bring the German tax level to at least a parity with the tax level in England and France.

When these measures have been applied, it will be possible to take the real measure of the competitive danger.

As regards (b)—The fact that large payments are made by Germany for reparation is not the essential and permanent cause of the low level of the mark. This is caused by the manner in which Germany provides for these payments, not by the fact that payment is made. If, instead of obtaining the necessary funds for payment by printing bank-notes, the German Government obtained them either through taxation or through loans, German exchange would not be influenced as it is to-day. The large payments received before the war by England, as interest on investments abroad, and as a return for services, had no destructive effect upon the exchanges of countries making them. The fact that Egypt made annually to France and England a payment of interest equivalent approximately to 50 per cent. of her total State revenue had no upsetting effect upon Egyptian exchange. In each of these cases the remittance was made possible by national economy, and was not provided by inflation. But payment will never be made through national economy while the bolt-hole of inflation is available.

If proper measures were taken to balance the German budget, the mark could be maintained at a satisfactory level, notwithstanding the burden of reparation payments.

No. 767

A summary by Mr. Wigram of the Reparation position

[C 23991/2740/18]

FOREIGN OFFICE, *December 28, 1921*

The positive achievement of the London Agreement of May 11th, [5th] 1921, was twofold. It fixed the German capital liability at 132 milliards gold marks (£6,600 millions gold) and it provided a schedule of payments for the discharge of this liability, a fixed annual payment of 2 milliards gold marks (£100 millions gold) and a variable annual payment equivalent to 26 per cent of German exports. An immediate payment of 1 milliard gold marks (50 millions gold) to count towards the discharge of the first fixed annual payment was also demanded.¹

¹ See No. 630, and also Vol. XV, No. 87.

2. The immediate payment was punctually made, and in June 1921 the allied committee of guarantees proceeded to Berlin to 'ear-mark' certain German revenues as security for the future.² In August 1921 the allied finance ministers met at Paris³ to liquidate amongst themselves various outstanding interallied questions raised by the general agreement of May.

3. But the general agreement itself was already in process of dissolution. Whether with or without the direct connivance of the German government or of the German industrials, Germany's efforts to secure the foreign exchange, necessary to liquidate the payment of the first milliard, was playing havoc with the mark. The mark exchange lost 50 points on London between the beginning of June and the end of July, a loss which was soon to become insignificant before the catastrophic fall of the autumn.

4. The chief beneficiaries under the London agreement were not slow to take their precautions. Monsieur Loucheur was at Wiesbaden before mid-summer, and the ill-timed generosity of Monsieur Doumer⁴ was repudiated at the August Supreme Council at Paris before it could become inconvenient. The Wiesbaden agreement of October 6th 1921,⁵ in effect, created for France, in the event of German default under the London agreement, a priority in the matter of deliveries in kind, unlimited in time and in amount. By their non-ratification of the August agreement, the French government avoided depriving themselves of all share in almost the only cash payment which has been actually received from Germany.

5. The growing obscurity of the whole financial situation, consequent, in the main, on the fall of the mark, compelled the committee of guarantees to return to Berlin on September 23rd to review the position. The committee's report, written towards the end of October, was not encouraging.⁶ It pointed out that, whilst the extravagant expenditure and inadequate fiscal policy of the German government were chiefly responsible for the situation which had arisen, there was now little chance of the discharge even of the January and February payments, except by the negotiation of a loan. The report drew special attention to the railway and food subsidies, to the inadequate coal tax, customs duties and restrictions on the export of capital, and to the vast issues of paper money.

6. So grave was the view taken of the report of the committee of guarantees, that the Reparation commission themselves proceeded to Berlin on November 9th.⁷ As the result of their enquiries, they formally called upon the German government to take all possible steps to avert a failure to meet the January and February payments and urged the raising of the necessary foreign exchange by means of an external or internal loan. Like the committee of guarantees, they insisted upon the fatal results of the German budgetary policy.⁸

7. On December 14th the German government formally announced the failure of the negotiations for a loan and warned the reparation commission

² See Nos. 645, 646, and 648.

⁴ See Vol. XV, No. 81, minute 1, and No. 82.

⁶ See No. 727, n. 1.

⁷ See Nos. 733 and 741.

³ See No. 670.

⁵ See No. 711, n. 1.

⁸ See No. 741.

that, apart from deliveries in kind and the proceeds of the Reparation (Recovery) Act, only some 150 to 200 millions gold marks (£7 millions to £10 millions gold) would be forthcoming to meet the January and February payments totalling about 800 millions gold marks (£40 millions gold).⁹

8. It is in these circumstances that the Supreme Council will meet at Cannes on January 6th.¹⁰ The main lines of the Anglo-French recommendations, which, from the recent discussions in London,¹¹ it appears that the Council will be called upon to consider, are as follows:—

- (a) approval by the reparation commission of the Wiesbaden agreement subject to the limitation in time and amount of the special benefits accruing to France, and facilities for France's allies to conclude similar agreements.
- (b) ratification by France of the August agreement subject to the satisfaction of the French scruples in the matter of the reimbursement of the cost of the armies of occupation and of the debiting to France of the value of the Saar mines.
- (c) the limitation of recoverable annual costs of the armies of occupation (apart from American) to 220 millions gold marks (£11 millions gold).
- (d) limitation of German 1922 cash payments to 500 millions gold marks (£25 millions gold) subject to fixation of German customs duties on a gold basis, abolition of subsidies, adequate coal tax, railway and postal rates, effective prohibition of export of capital, limitation of note issue and grant of autonomy to Reichsbank with its supervision by a technical adviser approved by reparation commission.

9. The adoption by the Supreme Council of these recommendations will apparently remove at least three of our recent difficulties with the French, those arising out of the Wiesbaden agreement, out of the August agreement and out of the limitation of the costs of the armies of occupation. On the other hand, in the main sphere of the liquidation of the German reparation debt, their adoption will in practice be almost equivalent to the disappearance of the May 1921 schedule of payments, and will in fact constitute a reversion to something not unlike the Brussels policy of January 1921.¹² That policy brought about not only the fall of Monsieur Leygues¹³ but also the abandonment by Monsieur Briand of almost all of the previous interallied reparation agreements. It remains to be seen whether the ghost of the May 1921 agreement (the fixation of the German capital reparation liability)¹⁴ when coupled with the practical achievement of Wiesbaden and the vague promises of the relief of the French 'recoverable budget' in Eastern Europe¹⁵

⁹ See No. 761.

¹⁰ The decision to hold a meeting of the Supreme Council at Cannes (originally arranged for January 4, 1922) had been reached by M. Briand and Mr. Lloyd George on December 21. The date eventually fixed for the opening of the Conference was January 6.

¹¹ See No. 758, n. 3.

¹³ See No. 425, n. 3.

¹⁴ See No. 556.

¹² See Nos. 429 and 464.

¹⁵ See Vol. XV, Chap. VII.

will prove sufficient to save the French government from the choice between the fate of Monsieur Leygues and a repetition of Monsieur Briand's manoeuvres of the spring of 1921.

No. 768

*Memorandum by the Marquess Curzon of Kedleston on the
question of an Anglo-French Alliance¹*

[W 13355/12716/17]

Confidential

FOREIGN OFFICE, December 28, 1921

1. Proposals for a defensive alliance between Great Britain and France have recently been made or suggested to us on four separate occasions by the representatives of France. First was the conversation between the French Ambassador and myself on the 5th December, which I recorded in a despatch to Lord Hardinge of the same date,² but as to which M. Briand, when interrogated by the latter, explained³ that Count Saint-Aulaire had spoken without any authority, but nevertheless that he would welcome any such proposals if made to him. Next came M. Briand's casual reference to the matter in a conversation with the Prime Minister in the early stages of his recent visit to London.⁴ Thirdly, came M. Briand's visit to me on the 20th December,⁵ when he revived the proposal with greater fulness, but on almost exactly the same lines as had been followed by the French Ambassador. Lastly, came his conversation with the Prime Minister on the 21st December,⁶ when, although I understand that he subsequently asked that his proposals should still be regarded as unofficial, he stated them, not only with greater precision, but in a different and much more extended form.

2. These proposals cannot be lightly dismissed. They raise a question of supreme importance in its bearing both upon the peace of Europe and the future foreign policy of the British Empire. They demand a very careful examination of the case in all its aspects, and will probably require a fuller elucidation of what the French have in view than has yet been forthcoming.

¹ This memorandum was based largely on notes prepared for Lord Curzon by Sir E. Crowe and dated December 26. Replying to Sir E. Crowe's covering minute, Lord Curzon stated: 'Your notes have been of immense value & I have bodily annexed your presentation of one aspect of the case.' (In paragraphs 22, 23, and 24.) For further comments by Sir E. Crowe on the question of an Anglo-French alliance, see No. 634, n. 1.

² This despatch, No. 3223, is published in Cmd. 2169 of 1924, pp. 108-12.

³ M. Briand's explanation was reported by Lord Hardinge in his telegram No. 936 of December 7, not printed.

⁴ See Vol. XV, No. 110.

⁵ See Vol. XV, p. 775. No other record of this visit of December 20 has been found in the Foreign Office archives. It is probable that the date of the visit referred to was December 21, for in a minute on the record of a telephone message from Lord Hardinge of that date, Lord Curzon stated that he had that morning agreed with M. Briand that a conference of foreign ministers on the Near East question should be held in Paris on January 9, 1922. (See below, n. 20, and No. 758, n. 2.)

⁶ Vol. XV, No. 110, and Cmd. 2169, pp. 112-14.

3. This is not the first time during the present century that an alliance in some form or other between France and Great Britain has been proposed. In each case, it may be noted, the initiative has proceeded from the French.

4. The first occasion was in January 1906,⁷ when M. Cambon asked Sir E. Grey whether (arising out of the Moroccan situation which was then acute) France could rely upon British armed assistance in the event of an attack upon her by Germany. The matter was never taken to the Cabinet, Sir E. Grey informing the French Ambassador that any assurance of the nature desired would amount to a change of the existing *entente* into a defensive alliance, and that the pressure of circumstances was not so great as to demonstrate the necessity of such a change. The specific grounds on which Sir E. Grey based his refusal were:—

- (1) That any immediate danger was likely to be allayed by the attitude which Great Britain was adopting towards Germany.
- (2) That an alliance designed to meet a menace arising from Morocco must presuppose that Great Britain had a determining voice in regulating French policy in Morocco, which was not, and could not well be, the case.
- (3) That an alliance, if concluded, must assume a written form to be approved by Parliament, and that it would be difficult in such a document to define with the required precision the exact circumstances which were to constitute the *casus belli*.

5. The second occasion was the proposed Anglo-American guarantee of the eastern frontier of France against unprovoked attack by Germany, which was decided upon at Versailles in 1919⁸ to make up for the refusal of the Powers to accept the French proposals about the Rhine province. This proposal was accepted by the British Parliament, but fell through owing to the failure of the American Senate to ratify the American part of the obligation.

6. Neither of these precedents offers us much guidance on the present occasion, except in so far, should the larger proposals of M. Briand fall through, as Great Britain may now or in the near future be willing to offer to France, single-handed, the guarantee (amounting to a form of defensive alliance) which America was and still is unwilling to share.

7. It appears desirable in the first place to estimate the advantages or the reverse which might be expected to ensue from the acceptance of such a proposal as M. Briand has now made. To France the advantage would be immediate, continuing, and almost immeasurable in value. She would be freed from the ever-present and formidable menace of a German war of revenge—a revenge which it requires small knowledge of the German character to be sure that that country will systematically and relentlessly pursue so long as she sees any chance of success. Freed from this danger France would be able (M. Briand assured me) to reduce her forces, to make a long stride

⁷ See Gooch and Temperly, *British Documents on the Origins of the War 1898-1914* (London, 1927), vol. iii, pp. 170-4.

⁸ See *B.F.S.P.*, vol. 112, pp. 213-15, and Cmd. 2169, pp. 94 ff.

towards that military disarmament for which Great Britain in particular has pleaded, to relieve the burden upon her finances, and to co-operate heartily with us and the other Great Powers in bringing about the economic recovery of Europe.

8. The reciprocal benefit to Great Britain and to Europe of such a change in the international position is beyond question. It is the fear of a resuscitated and revengeful Germany that is the cause of the recurrent disputes about reparations, of all the talk about the Ruhr, the military sanctions and the occupied areas, of the anxieties about Poland, and, indeed, of the chronic unsettlement in the Central European situation, which is so ruinous to trade, so fatal to the exchanges and such an irritant poison in the relations between France and our own country. What nation and what Government would not be willing to pay a heavy price to exorcise such a spectre and to return to the only conditions under which Europe can rebuild its shattered existence?

9. Further, in its larger aspect an Anglo-French alliance would be a guarantee not only for a speedy return to conditions of peace, but against the renewal of war for at least a generation, if not for longer. As the result of the war there only remain two really great Powers in Europe—France and ourselves. Germany, though assuredly destined to recover, cannot for many years be a military danger to Europe, or even to France alone. The day is still distant when a reunited Nationalist Russia can become a formidable aggressor outside her own frontiers. For a considerable period, therefore, a combination of Great Britain and France would be so strong that no other likely combination could successfully resist it. It follows that a definite and publicly announced agreement between the two countries to stand by one another in case either were attacked would offer a guarantee of peace of the strongest kind.

10. From the European standpoint, therefore, whether we regard the suggested alliance as accelerating the return and securing the continuance of general peace, as a guarantee against a fresh outbreak of war, as tending to bring about that progressive disarmament which (whatever the symptoms of the moment) is undoubtedly a universal aspiration as well as a universal need, or as the first step to enlisting the aid of France in a more reasonable policy towards Germany, the policy proposed may fairly be regarded as a British as well as a French interest.

11. I am much less convinced as to the gain to ourselves in other parts of the Empire or the world. It is difficult in the present transitional state of international relationships (for that they will be permanently crystallised in their present shape no one can believe) to anticipate by what enemies we may be threatened in the future or with whom we may find ourselves at war. If, as some think, the most likely enemy is France herself, then, as long as the alliance lasted, such a danger would indeed be eliminated. Elsewhere I find it hard to name the area in which French armies could usefully march to our assistance. Of course it would be a good thing if France were to adopt a policy identical with our own in Turkey, Syria and Mesopotamia. But for such a result the price of a defensive alliance would indeed be exorbitant. The

French Ambassador and M. Briand could suggest to me no part of the British Empire where French military assistance was more likely to be useful than on the north-west frontiers of India; and there I was offered by them only the tenuous consolation of abundant swarms of black troops let loose from the sands or swamps of Africa. But from what base they were to march, or whither they were to go, or what they were to do, or whether they would be wanted at all, were questions which we did not probe. Personally I think that any future danger to India is far more likely to arise from within than from without; and even were invasion attempted from the direction of Afghanistan, I doubt if French troops would be any more likely to appear on the Indian frontier for its defence than Japanese troops would in practice have been under the terms of the now defunct Anglo-Japanese Agreement.⁹

12. I now turn to a consideration of the difficulties and drawbacks which would attend the conclusion of any such alliance at the present time. Some of them are incidental to the circumstance of the hour, and are not necessarily permanent in their operation; others are more deeply-rooted in the principles of our two national policies, based as they are upon interests that often fail to coincide, or in the history and psychology of the two peoples. I will first deal with the former.

13. There has probably never been a time in history when British public opinion, at any rate as represented by the British press, has been more warmly disposed towards the people with whom we endured the agony of a four years' struggle against an enemy equally dangerous to both, and on whose soil are the recent graves of hundreds of thousands of our own sons. The Liberal and Labour Parties are, I am told, becoming increasingly suspicious of the revived Imperialism of France and of the perils into which it may lead the world. But such an attitude is not widely reflected in the press, and if a British Minister dares at any time to utter a word of remonstrance or warning to France, he is as likely to be rebuked by British papers as he is certain to be abused by the French. And yet while this very characteristic and in some ways rather admirable nonchalance prevails on this side of the Channel, there has rarely been a period when British policy and British statesmen were more coarsely or vindictively assailed in the French, and notably in the Parisian, press. M. Briand always assures us that the Parisian papers do not count, and that three-fourths of the French people are devoted adherents of the *Entente*, and it may well be that the atmosphere of Paris is favourable to political hysteria, and that at bottom the French nation realise fully that if the *Entente* were broken they would themselves be undone. But the moment when that press is in full cry, and when British policies and British characteristics are the object of the nightly ridicule and vituperation of the *cafés chantants* of the capital, seems to be hardly the most propitious for the creation of a much closer union. Even when a recent British Ambassador in Paris reiterates his familiar call for such an alliance, I find that it meets with no very ardent response in France, except in so far as it is supposed to promise her immunity from her present fears.

⁹ See Vol. XIV, No. 451 *et passim*.

14. A further weakness in the present situation is the extraordinary instability of French Ministries and the feeling, for which there is certainly some foundation, that it is only when a Minister finds himself to be tottering, and desires by some spectacular *coup* to re-establish the prestige of his country or his Administration, that these proposals are made. I believe M. Briand to be as friendly and as loyal a Minister as we have known since 1914; and yet it is M. Briand who perpetrated the Angora Treaty,¹⁰ and of whom we know other things that need not be recorded here, and the question not unnaturally arises whether the man or the men who cannot be true to an *entente*, will be faithful to an alliance.

15. Another question that naturally suggests itself is this. Though it is only three years since the armistice was signed, though the last British soldier has only just left the shores of France, and though three months rarely pass without meetings and consultations, formal or informal, between French Ministers and our own, the Foreign Office is only too painfully aware that in almost every quarter of the globe, whether it be Silesia or Bavaria or Hungary or the Balkans—Morocco or Egypt or Turkey or Mesopotamia—the representatives of France are actively pursuing a policy which is either unfriendly to British interests or, if not that, is consecrated to the promotion of a French interest which is inconsistent with ours. Will this world-wide phenomenon, this inveterate intrigue, this passion for pin-pricks, disappear or be mitigated under the influence of a defensive alliance? You cannot pledge yourself to go to the assistance of a man with all your resources, in the event of his being attacked, if in the interval he is always delivering stealthy and surreptitious attacks upon you. This is one of the reasons that, even allowing for the best, and presupposing a future loyalty for which there is no present evidence, it is essential, before so far-reaching and binding an arrangement can be concluded, either that these smaller causes of disagreement should be cleared off the board, or that an understanding as to common policy in minor as well as in major areas should be arrived at. Lord Lansdowne thought that he had disposed of the main causes of Anglo-French misunderstanding when he signed the Agreement of 1904.¹¹ Long before the war there was a fresh and fertile crop. The war was intended to effect another clearance; it has produced a new germination.

16. But it may be said that these are difficulties either ephemeral in their nature or remediable by mutual sincerity and active goodwill. Let me turn therefore to those of a more profound or formidable character. The first of these is the attempt, as it would be regarded in many quarters, to revive the old policy of State alliances, dominating and controlling the future of Europe, at a time when such arrangements were believed to have been superseded by the newer conceptions embodied in the League of Nations, in international courts and conferences, and in the theory of corporate action as opposed to the rival grouping of Powers. Granted that such an alliance as is under discussion could be successfully shown to be an instrument and guarantee of

¹⁰ Of October 20, 1921. Printed in Cmd. 1556 of 1921.

¹¹ For the text of this agreement see *B.F.S.P.*, vol. 97, pp. 31–55.

peace, and that it could be reconciled with the terms of the Covenant and even perhaps be placed under the patronage of the League of Nations, there would still appear to be a sharp divergence between the principles so widely promulgated during and since the war and the first application of them on a grand scale. We may wonder what would be the attitude of Washington and what the feelings of other European Powers.

17. And these remarks suggest a further reflection. Since the war Italy has reasserted her claim to be regarded as one of the three great European Powers. She is invited to every Conference. She has a voice in regulating matters which often concern her only in a very remote degree. She has developed in consequence pretensions which often do not err on the side of modesty. Italy in the Dardanelles, Italy in Anatolia, Italy even in Afghanistan are among the products of the war. She is not a very dependable friend, living, as she does, in constant terror of France. But, in so far as her fears allow, she is moving steadily and increasingly in our direction; and in the Mediterranean, even if she could not be a formidable enemy, she can yet be a serviceable friend. We must be careful not to do anything that will lead Italy to think that she has been ostracised, or isolated, or turned out of a combination which is immensely flattering to her national pride. Neither should the susceptibilities of Belgium be ignored.

18. There remain two larger obstacles, the second of which is a corollary of the first. What would be the opinion of the British Parliament, the British press, and the British public of such an entanglement (as it would certainly be regarded), and what would be its effect on British policy throughout the world?

19. A proposal by His Majesty's Government to commit this country to go to war again—not for a narrowly defined and easily intelligible object, such as the defence of the eastern frontier of France, which is also the external frontier of Britain—but for objects which it will be difficult to define in words, and in contingencies which, though unlikely to arise, cannot be described as impossible, will, I think, excite in many quarters the gravest disappointment and alarm. With the end of the war, there grew up in this country a feeling, almost a conviction, widely preached and passionately believed, that with the resounding victory of the Allied Powers, an era of general peace had set in, and that wars in future would be banished by the operation of the League of Nations. We recall the almost frenzied fury with which the suggestion that British troops might be engaged in the Russo-Polish conflicts of 1920¹² was received in certain quarters, and the outcry which resulted in the withdrawal of British forces from the Caucasus, Persia, Mesopotamia¹³ and other parts where their presence was regarded as implying a continuance of hostilities rather than the maintenance of peace. There will accordingly be a feeling of profound mistrust, if not worse, at the acceptance of fresh warlike commitments; and this will be enhanced by the fear that a treaty of alliance with France may drag us into a war in which direct British interests are not involved, and which might have been avoided had

¹² See Vol. XI, Chap. II, *passim*.

¹³ See Vol. XIII, Chaps. I–III.

not our ally been encouraged to take up an unbending attitude in regard to the particular matter which constitutes the immediate *casus belli* by the knowledge that in the event of rupture British armed assistance was assured.

20. This is a real and not an imaginary danger. A general defensive alliance implying the declaration of war against the enemy of your ally in a case where his vital interests are attacked does undoubtedly expose the signatory to the risk of a warlike complication arising out of events which he may be reluctant to regard as justifying a resort to arms, or in which he may think that the enemy is not mainly or exclusively to blame. Such a risk, by whomsoever incurred, can only be reduced to manageable proportions by the expedient which Sir E. Grey found to be impossible in the case of Morocco, namely, that either party has some voice in the conduct of the foreign policy of the other, at least in questions affecting such third parties or such regions as might conceivably raise warlike issues. But the prospects of a common foreign policy between Great Britain and France—or, as we may put it from our point of view, of France allowing her foreign policy, *e.g.*, as regards Tangier or Constantinople, to be adjusted to British views—though not hastily to be dismissed—do not find much encouragement either in recent events or in the experience of modern European alliances.

21. Where there are no disturbing elements arising from the conflicting interests of the parties, as in the case of the recent Franco-Russian Alliance,¹⁴ and where the Alliance was formed for one object alone, in which both were equally concerned, *viz.*, the avoidance of the German peril, such an alliance can be concluded without difficulty and maintained without serious friction. In the case of the Triple Alliance¹⁵ (Germany, Austria and Italy), which affords a much closer parallel, it is notorious that there were frequent occasions of friction between the signatories in regard to foreign policy both in the Balkan peninsula and the Mediterranean, and that extreme tension was only avoided by the invariable surrender of Austria and Italy to the dictation of Germany. Even where a new agreement is concluded between Powers whose interests are really divergent, as in the case of the Anglo-Russian Agreement with regard to Persia and other Asiatic countries concluded by Sir E. Grey in 1907,¹⁶ one party is frequently obliged to condone actions by the other of which it cordially disapproves and of which it reaps the discredit. Such was our experience in Persia in the years between 1907 and 1914, where we had to shut our eyes to Russian proceedings which could not be justified by any standard of political ethics as generally understood in this country.

22. And here I am brought to advert, I hope not in a Pharisaical spirit, to a certain aspect of French foreign policy with which every British Foreign Minister in the last half century, and I dare say much longer, is only too familiar. It arises partly from the traditions of French diplomacy, but still more from the mentality of the French race, and it represents a difference

¹⁴ For this alliance, which was negotiated between 1892 and 1894, see *Documents Diplomatiques Français (1871-1914)*, 1^{re} série, vols. ix, No. 461; x, No. 488; xi, No. 7.

¹⁵ This alliance was formed in 1882. Cf. No. 754.

¹⁶ For the text of this agreement see *B.F.S.P.*, vol. 100, pp. 555-60.

both of outlook and methods, as compared with the British, which is fundamental. Perhaps the difference can be best defined as a contrast between the British habit of endeavouring to deal with the current problems of diplomacy, as they arise, on the merits of the particular case, and the French practice of subordinating even the most trivial issues to general considerations of expediency, based on far-reaching plans for the relentless promotion of French prestige and the gratification of private, generally monetary and often sordid, interests or ambitions, only too frequently pursued with a disregard of ordinary rules of straightforward and loyal dealing which is repugnant and offensive to normal British instincts. It is this divergence of national characteristics and conduct flowing from them which has made consistent co-operation between British and French Governments and agents always difficult, and sometimes impossible, whether in times of open national hostility or during periods covered by successive *ententes*, and even alliances: under the Bourbons after 1815, as under Louis Philippe; under Napoleon III, and after the Crimean war; under the great *Entente* initiated in 1904; and even since the last war with its closely cemented alliance.

23. If an alliance were made to depend on a radical change in the attitude of French authorities, its conclusion would have to be negatived. For it cannot be honestly said that there is a good prospect of the French changing their ways in this respect, however sincere their friendship for this country. They are not really conscious of the extent of their shortcomings, and therefore not amenable to argument or capable of responding to remonstrance. Indeed, they would be likely to regard any reproaches under this head as altogether unmerited, and to scoff at the mere suggestion that there is here a practical difficulty which ought be met.

24. It may no doubt be argued that the demand for a fundamental alteration of conduct is a little high-pitched; that in all transactions involving co-operation with neighbours and friends it is unreasonable to expect one's associates to have the same ideals or to pursue them with the same fixity of purpose; that some indulgence must rather be shown to a partner's known idiosyncrasies and failings, even where these are difficult to approve; and that, so long as the major issues are harmoniously approached in common, aberrations on less vital points or in details of execution, should not be allowed to cause extreme irritation or call for a cessation of all co-operation. Nevertheless, while making all such allowances, it is impossible to ignore the existence of an obstacle to sustained unity of action which is well-nigh fundamental and which in our past relations with France has never for any length of time been successfully overcome.

25. I have mentioned the probable attitude of the press and public at home. I must also not omit to mention the views of our Dominions. If these were accurately represented by the Premiers who met in Downing Street during the past summer,¹⁷ the idea of an Anglo-French defensive alliance would be by no means warmly received. On that occasion substantial

¹⁷ The Imperial Conference of the British Empire met in London from June 20 to August 5, 1921; for a report of its work see Cmd. 1474 of 1921.

approval was given by the Premiers to the foreign policy now being pursued by His Majesty's Government. But it will be recalled that if doubts were at any time expressed of our existing friendships and obligations, it was against France that the suspicions were levelled. General Smuts¹⁸ in particular was desirous that we should cut ourselves adrift from France altogether and revert to the policy of splendid isolation. So great a step as the conclusion of a formal alliance between the two countries would, under the conditions which were then laid down, have to be submitted to and accepted by the Dominions. I cannot feel at all confident as to the reception of the proposal by them.

26. If then the case be debated on the general grounds to which I have referred in the later part of this note, the arguments against an immediate or early acceptance of a defensive alliance with our neighbour would appear very decidedly to preponderate. In justice, however, to M. Briand it should be borne in mind that his language to the Prime Minister on the 21st December, though vague, appears to admit of a more elastic interpretation. While he spoke, as he had done to me, of a complete defensive alliance between Great Britain and France, he also spoke of other nations 'coming into the compact, including Germany herself.' He further contemplated 'some arrangement similar to the quadruple Pacific Treaty just concluded at Washington.'¹⁹ 'Such an arrangement,' he added, 'might include three or four Powers, but the nucleus of it should be a complete alliance between Great Britain and France, around which the nations would gather.' This language was rather obscure; but M. Briand, I understand, promised to explain his proposal more fully at Cannes.

27. Under the Washington Treaty the parties concerned do not pledge themselves to go to war in given circumstances, but only to meet in consultation if, and when, any incident arises which might lead to a breach of the peace, and to determine in common what measures should be adopted to meet the situation. It is not impossible to imagine the setting up of such a consultative machinery in Europe, so long as it can be adapted to the terms of the Covenant and is in general accord with the principles of the League of Nations.

28. It is more difficult to understand how, without exciting jealousies and apprehensions, a defensive alliance between France and Great Britain could be made the pivot and centre of such an organisation. M. Briand must be left to develop this theme. For my own part, I should be disposed to suggest that the first step, and a sufficient step at this stage, whether it be regarded on its own merits or as the nucleus of a larger scheme, should be the conclusion of an Anglo-French alliance—if that phrase be preferred—confined to the contingency of an unprovoked German attack on France, as contemplated by the abortive Versailles treaty of 1919.

¹⁸ Prime Minister and Minister of Native Affairs of the Union of South Africa.

¹⁹ i.e. the treaty relating to their insular possessions and insular dominions in the Pacific Ocean agreed at Washington by Great Britain, France, Japan, and the United States on December 13, 1921; for the text see *B.F.S.P.*, vol. 116, pp. 627-30. See also Vol. XIV, Chap. VI, No. 499.

29. But I would not give even this guarantee—which will be an enormous addition to the security and power of France—without a clearing up of the main questions unsolved or on which we are divided, and an attempted understanding as to the lines of common policy in the future. For instance (these are illustrations only), I would postulate as prior conditions: (a) the successful settlement of the Eastern question upon which the foreign Ministers are about to meet at Paris;²⁰ and (b) a settlement of the Tangier question, concerning which the French have just put forward some utterly preposterous demands.²¹ It would be foolish and futile to confer this very considerable boon and then to find ourselves back again in the old rut of vexatious disputes about Egypt, Morocco, Abyssinia and the rest. I earnestly hope it will not be proposed to give the guarantee for nothing.

30. Following the Washington idea, we might further engage that, if France or Great Britain were threatened by an attack on her vital interests from any quarter, the signatories would at once meet in conference to take counsel together as to the measures to be taken in common for the protection of those interests. The signatories might undertake at the same time, while referring to the Council of the League of Nations, in accordance with the Covenant, to seek its authority for the employment of their armed forces or the adoption of such other coercive measures as they might deem necessary for the protection of their threatened interests. If such an extension of the treaty of guarantee were agreed to, both of them under the auspices of the League of Nations, the stipulations above suggested might take the form of a separate instrument, to which the adhesion of other Powers, including Germany, might be invited. Any Power so invited would have to become a member of the League, thus falling under the general obligations as to the avoidance of war which are contained in the clauses of the Covenant.

31. I do not know if this is all what M. Briand has in view, but it may serve as a basis of discussion when he reopens the subject. In any case the scheme above sketched, while avoiding the difficulties and dangers of the larger plan, would appear to possess these advantages. It would effectually check any aggressive German designs upon France, and would therefore justify her in proceeding a considerable way on the path of disarmament.

²⁰ See No. 758, n. 2. The meeting had been fixed for January 9, but, owing to the governmental crisis in France, it was postponed indefinitely and was later arranged for March 1922.

²¹ These proposals were contained in M. Briand's Note of December 15 to Lord Hardinge. Sir M. Cheetham, in his despatch No. 3526 of December 16, transmitting a copy of this Note, commented: 'Your Lordship will observe that it is proposed to abolish the Corps Diplomatique, and to substitute for it a municipal Government elected by colleges representing the various Powers, together with the Mussulman and Israelite inhabitants of the town. The voting weight of the various colleges is to be assigned in accordance with the population and the commercial interests of the Powers. It will be noticed, however, that whereas France, Spain and the Mussulman Moroccans each receive six votes, Great Britain is only given two. The French and the local votes would constitute a permanent majority. Moreover, the vice-presidents of the two municipal assemblies are to be of French and Spanish nationality respectively. The scheme also provides for the abolition of the Capitulations and the introduction into Tangier of the normal laws of the Protectorate. These extraordinary proposals appear to be designed to place Tangier entirely in the hands of the French.'

Any Russian or Russo-German movements against Poland would be, if not absolutely prevented, at least rendered much less likely, without Great Britain being in any way committed to go to war for Poland's sake, if Poland were herself felt to be at fault. Further, a great impetus could be given to the organised strength of the League of Nations.

32. If the procedure suggested in this note commends itself to His Majesty's Government, and if it fits in with M. Briand's ideas, presuming him to remain in power, it is manifest that considerable discussion will be required before it could finally take shape. The conference on the Eastern question at Paris will afford a valuable index to the French attitude and mind, and no concession should be made by us until we are sure of the return.

C. OF K.

No. 769

Sir G. Grahame (Brussels) to the Marquess Curzon of Kedleston
(Received December 29, 1.45 p.m.)

No. 204 Telegraphic [C 24070/2740/18]

BRUSSELS, December 29, 1921, 11.35 a.m.

Cabinet Council yesterday decided that Prime Minister and Minister for Foreign Affairs shall go to Cannes¹ and promised them fullest support at home in defending Belgian priority. Anger and dismay still prevail here as well as doubt as to whence and how attack on priority may develop.

It is thought that Belgian Ministers are endeavouring to get into touch with French government and come to some arrangement so as to present united front at Cannes.

¹ See No. 767, n. 10.

No. 770

Sir R. Graham (Rome) to the Marquess Curzon of Kedleston
(Received December 29, 9.25 p.m.)

No. 518 Telegraphic [C 24073/2740/18]

ROME, December 29, 1921, 2.50 p.m.

My telegram No. 509.¹

In conversation yesterday evening, Italian Prime Minister assured me that he was in entire agreement with British point of view and would go to Cannes with firm intention of giving it whole-hearted support. Monsieur Bonomi said that he understood French attitude, but that Italian interests were identical with ours.

¹ No. 760.

CHAPTER VII

Military Control of Germany and German Problems other than Reparation

May 6–December 31, 1921

No. 771

Lord Kilmarnock (Berlin) to Earl Curzon (Received May 8, 3.15 p.m.)
No. 200 Telegraphic [C 9371/13/18]

BERLIN, May 8, 1921, 1.10 p.m.

My immediately preceding telegram.¹

A further, though less[er], difficulty in the way of acceptance of Allied demands is question of fortress guns at Königsberg. Opposition to surrender of these weapons has been greatly increased by situation in Upper Silesia, and it is declared that danger of Polish attack renders their retention necessary. It has been suggested that their surrender would be facilitated if Allies gave a guarantee that Poland would not be allowed to attack Germany in view of defenceless state to which she is reduced by compliance with Allied demands for disarmament. Desired effect might be produced by warning suggested by Mr. Max Muller in his telegram No. 224 to Your Lordship.²

¹ No. 608.

² No. 35.

No. 772

Lord Kilmarnock (Berlin) to Earl Curzon (Received May 10, 9.40 a.m.)
*No. 203 Telegraphic [C 9537/13/18]**

BERLIN, May 9, 1921, 7.50 p.m.

My telegram No. 199.¹

Colonel Roddie² has seen Bavarian Minister here and gathers that there is considerable anxiety in Bavarian Government circles to meet demands of Allies on disarmament question. Bavarian Minister indicated that Bavarian Government would be ready to surrender all the heavy weapons in its possession and all rifles—some 250,000 in number—which have been notified to Inter-Allied Military Commission of Control if said Government were assured that such action would be considered as fulfilling their obligations.

¹ No. 608.

² Colonel Stewart Roddie was attached to the Inter-Allied Military Commission of Control at Berlin.

What they are afraid of is that after they have complied as far as is in their power with Allied terms resort will still be had to sanctions if it is discovered that a certain number of arms have not been delivered by individual peasants. Government are apparently anxious to have some assurance on this point.

It is significant that Dr. Stresemann, in his conversation with me reported in my immediately preceding telegram,³ did not refer to disarmament question at all.

³ See No. 612, n. 1.

No. 773

Letter from Mr. Piggott (Cologne)¹ to Mr. Robertson (Coblenz)²

[C 10270/416/18]

COLOGNE, May 12, 1921

Sir,

I have the honour to report a somewhat remarkable conversation which I had yesterday with Dr. Adenauer, the Oberbürgermeister at Cologne.

As has already been reported in the press, the post of Chancellor was offered to Dr. Adenauer before it was finally accepted by Dr. Wirth, and the conditions Dr. Adenauer attached to acceptance have also now been made public. These include, as you are no doubt aware:—

1. The return to a nine-hour day on the part of all officials and workmen, if this measure should be found necessary in order to balance the budget.
2. That there should be no further talk of socialisation, for the present.
3. That the Chancellor should have the complete power to select Ministers from whatever party he thought fit.

The most striking part, however, of the interview was Dr. Adenauer's frank admission that for the past two years Germany had not done her best to fulfil the obligations imposed by the Peace Treaty. The efforts of the successive German Governments have been but half hearted, with the result that the *Entente* and the rest of the world had, with some justice, refused to believe in Germany's good faith. The cause of this trouble was, in his opinion, to be found in the extreme weakness of the various Governments, and the only salvation for Germany now lay in the creation of a Government which would have almost dictatorial powers, whose first and foremost object would be to convince the world, by a programme of intense production and the strictest universal taxation, that Germany was at last in earnest and meant to fulfil the Peace Treaty to the utmost limits of her capacity.

Dr. Adenauer's intense personal ambition is well known to you, and the idea of a dictatorial Government, with himself as Dictator, no doubt appeals

¹ Mr. J. I. Piggott was the British Commissioner on the Inter-Allied Rhineland High Commission at Cologne.

² This letter was transmitted to the Foreign Office by Mr. Robertson in Coblenz despatch No. 195 of May 18, not printed.

to his imagination. At the same time, it must be admitted that the situation, from every point of view, demands such a Government.

Dr. Adenauer further told me that none of his proposals encountered any severe opposition, except the abolition of the eight-hour day, and even that, he said, would probably come to be accepted by the Majority Socialists. It is, of course, possible, but at the present moment the Socialist Press shows signs of attacking him with some vigour, and I was interested to learn that he is proceeding to-day to Wiesbaden for a fortnight's rest.

I have, &c.,
J. I. PIGGOTT

No. 774

*Inter-Allied Military Commission of Control to the Director of
Foreign Affairs of the German Empire¹*

[C 10500/13/18]*

M. le Directeur,

BERLIN, May 12, 1921

I have the honour to communicate to you the decisions which the Inter-Allied Military Commission of Control has seen fit to take with regard to the execution of the terms of the London note, dated the 5th May, 1921,² in so far as disarmament is concerned:—

I.—ARMY OF 100,000 MEN

(a) *Military Law*

On the 9th April, 1921, in its letter, the commission drew attention to certain omissions which had been noted in the law of the 23rd March.³

Texts of the laws necessary to rectify these omissions should be communicated to the commission as soon as possible, and in any case before the 15th June, 1921.

(b) *Organisation*

The harmonising of the organisation of the army with the clause of the Treaty of Peace fixed for the 15th April must be completed by the 15th June, 1921. Particular attention should be paid in this respect to the observations made by the commission in the following notes:—

April 29, 1921, with regard to the demilitarisation of certain services.

April 9, 1921, with regard to the strengths of the Control Administration (Reichswehr Ministry and its dependent administrations) to the suppression of civilian auxiliaries on the staffs and with the troops, with regard to supplementary cadres in depots.

March 18, 1921, with regard to cyclist companies.

April 22, 1921, with regard to probation periods.

¹ This document was transmitted to the Foreign Office by the Director of Military Intelligence at the War Office on May 20; a further, French copy was enclosed in Lord D'Abernon's despatch No. 740, of May 22, not printed.

² See Vol. XV, Nos. 85 and 87.

³ See No. 606 (a).

II.—WAR MATERIAL

(a) *War Material in General*

1. *Excess War Material in possession of the Army and in Depots, Establishments, &c., dependent on it.*

The maximum establishments fixed by the commission must be accepted, and notification of their acceptance must reach the commission before the 20th May at midday.

The delivery of the excess, calculated on the basis of those maximum establishments, must be completed:—

For every type of arm, spare parts and extras by the 10th June, 1921.

For the remainder of war material, by the 30th June, 1921.

All movements of arms and material, other than such movements as may be necessitated by the deliveries, destruction or rendering useless, shall be rigorously prohibited, unless preliminary authorisation has been received from the commission. The instructions issued in this respect must be communicated to the commission before the 23rd May, 1921. Those orders should apply to material held for any reason by the Reichstreuhandelsgesellschaft.⁴

The maximum establishments with regard to clothing shall, as in the case of those with regard to liaison material and police material, be communicated as soon as possible to the German Government by the commission.

2. *Arms recovered from the Population*

The surrender of these arms must be accelerated so that the whole operation may be completed before the 10th June, 1921.

(b) *Armament of Land Fortresses*

The guns, various arms and war material of every type which are not authorised must be completely surrendered by the 31st May, 1921.

The orders issued for their surrender by this date must be communicated to the commission by the 20th May, midday at the latest.

(c) *Armament of Coast Fortresses*

Unconditional acceptance of the establishments authorised by the commission must be communicated to the latter by midday on the 20th May, 1921, at the same time as the orders given for the surrender of excess material.

The surrender of guns, arms and every type of material in excess of these establishments shall be completed by the 10th June, 1921.

III.—SELF-PROTECTION ORGANISATIONS

(a) *Dissolution*

The dissolution of all the self-protection organisations must, according to the terms of the Paris note, be completed by the 30th June, 1921.

⁴ Public Trustee Company, see No. 600.

In order to afford the commission sufficient time to supervise this dissolution, the list of organisations that the German Government intends to dissolve in execution of the law of the 22nd March, 1921—which list was already asked for on the 9th April—must be communicated to the commission before the 21st May, 1921.

(b) *Disarmament*

The surrender of arms and munitions, which, according to the terms of the Paris note, should have been completed on the 21st March, must be proceeded with at once, so as to be completed by the 20th June, 1921. The remainder of the arms and munitions shall be surrendered by the 20th June, 1921, as stipulated in the Paris note.

As has already been stated, mention should be made of the origin of all surrendered arms at the time of their delivery, so as to avoid confusion between the arms emanating from the population, from self-protection organisations, from the police and the army.

IV.—POLICE

(a) *Organisation and Effectives*

The organisation and effectives of the police must be brought into harmony with the stipulations of the Boulogne note (the 22nd June, 1920) and the Paris note of the 29th January, 1921.

In this connection attention should be paid to the observations and requests made by the commission in its letter of the 18th March, 1921.⁵

The commission must lay particular stress on every possible measure being taken to ensure:—

That the existing Green Police should lose the character of a mobile military force.

The suppression of probation periods and short-term service.

The prohibition of any exchange of personnel between the army and the police.

To restore to the police schools their pre-war character, and to reduce their number in such a way that they should tally with the increase in strength accorded by the Boulogne note.

The suppression of all police aviation formations.

The reduction of the total strength of every category of police, both plain clothes and uniformed police, to the figure of 150,000 men.

The necessary modifications must be complete by the 15th July, 1921, as regards organisation and strength, and the instructions issued to this effect should be communicated to the commission before the 15th June, 1921.

(b) *Armament*

Arms and munitions of every type that are unauthorised and still in the possession of the police must be surrendered by the 31st May, 1921.

⁵ Not traced in the Foreign Office archives.

As has been stated above, the maximum establishments of war material for the police will be fixed shortly.

The date for the delivery of their excess war material will be notified later to the German Government.

V.—FACTORIES

Communication by the German Government of their acceptance of the list of factories authorised to manufacture war material must be made to the Inter-Allied Military Commission of Control before midday the 20th May, 1921.

Import and Export of War Material

On the 7th April, 1921, the Military and Naval Commissions again requested to be furnished with the text of the law enforcing the prohibition of import and export of war material stipulated by articles 170 and 192 of the Treaty of Peace.

The text of the law must be communicated to the commission as soon as possible, and in any case before the 30th June, 1921.

The commission has the honour to request that by application of article 208 of the Treaty of Peace all possible measures should be taken to ensure the freedom of action of the Commission of Control. The instructions issued to this effect shall be communicated to it before midday the 20th May, 1921.

In particular to draw attention to the demand contained in its note of the 29th April, 1921.⁶

The decisions set forth above apply to the various letters and requests of the German Government communicated to the commission up to date, which have not formed the subject of a special communication.

Accept, &c.,
NOLLET

⁶ Not traced in the Foreign Office archives.

No. 775

Sir M. Cheetham (Paris) to Earl Curzon (Received May 21, 10.15 a.m.)
No. 297 Telegraphic: by bag [Confidential/General/199/3]

PARIS, May 20, 1921

I attended the Ambassadors' Conference this morning; M. Cambon presided, the Belgian Ambassador being also present, and the following questions were discussed . . .¹

(4) The Conference had before it a report by the Naval Advisers regarding the cost of salv[ag]ing a German submarine dock which was abandoned by the Germans when on its way to be delivered to the allied Governments under the terms of the armistice (see your despatch No. 884 of March 24th).² The

¹ The sections omitted referred to other matters.

² Not printed. This despatch repeated Foreign Office despatch No. 201 to The Hague of March 23 in which Lord Curzon stated that in the opinion of the Admiralty 'the German Government are still under obligation to deliver this dock to the allied Governments'.

Conference decided that the Drafting Committee should be asked in the first instance whether a claim for salvage can be made on the German Government in the present case. If so, the dock is to be handed over in Holland for sale under the control of the Naval Allied Commission for the Disposal of Enemy Vessels.

The following ten decisions were taken on the recommendation of the Allied Military Committee of Versailles:—

(5) The section of the Inter-Allied Aeronautical Commission of Control which is working at Chalais-Meudon (see Lord Hardinge's telegram No. 125 of March 2nd, section 8)³ is to be allowed to prolong its existence till July 31st. The allied Military Committee of Versailles proposed that it should continue to be paid out of the 50 million marks paid by the German Government for the illegal export of aeronautical material. As, however, the question of the disposal of this money is at present under discussion with the Reparation Commission, (see Lord Hardinge's telegram No. 268 of May 13th, section 2)⁴ I stipulated that the mode of payment should be reserved. This was agreed to. . . .¹

(7) In accordance with the proposal made in Your Lordship's despatch No. 1064 of April 14th⁵ the Conference agreed to authorise M. Cambon to sign on their behalf, with the head of the German peace delegation, the protocol providing for payment by Germany of compensation for the destruction of Zeppelins in 1919.⁶ The United States Ambassador claimed that his Government should share in the sum to be paid as compensation and stipulated that the protocol should be in the name of the Allied and Associated Powers and not merely in the name of the allied Powers. This was agreed to.

(8) The Conference re-affirmed their previous decision that the German army should not be supplied with gas masks (see Lord Hardinge's telegram No. 157 of March 22nd, section 14).⁷

(9) The Conference rejected an application from the German Government for permission to preserve certain range-finders for the use of meteorological institutions.

(10) The Conference likewise rejected a demand of the German Government for permission to sell certain military pontoons to private individuals. . . .¹

(19) I invited the Conference, as instructed by Your Lordship in your

³ In this telegram, not printed, Lord Hardinge had reported that the Allied Military Committee of Versailles had proposed that the branch of the German aeronautical commission of control working at Chalais Meudon (see No. 586) should be allowed to continue until it had completed its work. The Conference of Ambassadors had agreed that the work should be completed within three months from March 2.

⁴ No. 618.

⁵ Not printed.

⁶ For earlier documents dealing with this question see Vol. X, Nos. 286, 292, 295, 311, and 314.

⁷ This read: 'The Conference decided that the German Government should not be allowed to supply their army with gas masks, on the ground that the manufacture of such masks would involve the study of poison gases, the use of which is forbidden to the German army.'

despatch No. 942 of April 4th,⁸ to protest to the German Government against the action of the German Ministry of Finance in exacting from British subjects payment of German war taxes on capital in violation of Article 297 (j) of the Treaty of Versailles. The French explained however that the Franco-German Arbitral Tribunal set up under Article 284 had declared itself competent to deal with such cases in virtue of powers conferred upon them by Article 305. In these circumstances they demurred to making direct representations to the German Government on the subject. The question was eventually adjourned in order to enable my Italian colleague and myself to obtain further instructions. I shall be glad to know whether I may assume that the Anglo-German Arbitral Tribunal cannot deal with these cases and if so, for what reasons. . . .⁹

⁸ This despatch, not printed, instructed Lord Hardinge to lay before the Conference of Ambassadors the question of the exacting from British subjects of the Reichsnotopfer and similar German war taxes on capital (see No. 649) by the German Ministry of Finance. If it was found that other Allied nationals were experiencing the same treatment then Lord Hardinge was to suggest that concerted action be brought to bear on the German Government.

⁹ The sections omitted referred to other matters.

No. 776

Earl Curzon to Lord D'Abernon (Berlin)

No. 115 Telegraphic [C 10394/13/18]

FOREIGN OFFICE, *May 20, 1921, 6 p.m.*

Press states note has been sent to German Government by Inter-Allied Military Control Commission demanding cessation of alleged recruiting of volunteers for Silesia, and disbandment of detachments already formed.¹

Please enquire and report by telegraph why British representative on Commission joined in this note which raises political issues without referring home for instructions in accordance with War Office telegram to Sir F. Bingham of January last.²

A copy of the note should be sent to me as soon as possible as well as of note or notes alleged by 'Times' of May 18th to have been addressed recently to German Government by Control Commission on subject of disarmament.³ Similar instructions should apply to all notes addressed to German Government by Allied Military Control Commission. It is quite wrong that I should first hear of these communications from the press.

¹ See the *Daily Telegraph*, May 20, and *The Times*, May 20, p. 9.

² See No. 560, n. 5.

³ No. 774.

No. 777

Lord D'Abernon (Berlin) to Earl Curzon (Received May 21, 9.35 a.m.)
No. 235 Telegraphic [C 10382/13/18]

BERLIN, May 20, 1921, 8 p.m.

Disarmament Commission wrote last week to the German Government fixing various dates for the fulfilment of different prescriptions of the ultimatum.¹

German Government have today replied agreeing to everything without reserve or condition. Chancellor in an interview with General Nollet said that the Government would carry out the necessary measures in their entirety and as far as might be possible before dates fixed.

This result appears to me extremely satisfactory.²

¹ See No. 774.

² That same day Lord D'Abernon reported in his telegram No. 232: 'Chancellor informs me that he has seen Escherich, founder and head of Orgesch organizations and finds him rather reasonable, which I presume means more reasonable than he expected, regarding disarmament and disbandment of Einwohnerwehr.'

No. 778

Mr. Seeds (Munich) to Earl Curzon (Received May 25)
No. 94 [C 10778/13/18]

MUNICH, May 20, 1921

My Lord,

With reference to my immediately preceding despatch of yesterday's date,¹ I have the honour to report that I saw the Minister of Agriculture again last night. He said that the Prime Minister was now in a much more reasonable mood, a fact which he was good enough to attribute to the attitude I had adopted at my recent interview with Dr. von Kahr.² He thought he could assure me that all was going well. Though the Government would take no open action in order to save the Premier's face, a solution would probably be found by the Einwohnerwehr going into voluntary liquidation when ordered by the Commissioner for Disarmament.

Even should Herr Wutzlhofer not prove unduly optimistic, I feel it my duty to state that we are not out of the wood yet, and to put on record my strong conviction that total disarmament of the Einwohnerwehr is an impossibility. I have not yet met the man, whether German or foreigner, who is of the opinion that all the arms can be extracted from the peasants. I venture therefore to submit that, unless it be desired to find a ground for the imposition of sanctions, we should be prepared to be satisfied with any serious effort made by the Bavarians which would entail the surrender of the

¹ No. 93, not printed.

² On May 14, as reported in Mr. Seeds's despatch No. 87 of May 15, not printed.

field guns and of a very substantial number of rifles, together with the complete abolition of the central organisation. The Einwohnerwehr is, in my opinion, fairly harmless in itself, but dangerous as an institution sacred to the reactionaries, who can boast of having preserved it intact despite the *Entente* and despite the Socialists; we should therefore insist on the very maximum being done in the way of disarmament and dissolution, thereby dealing a serious blow to the prestige of those influences which constitute the real German peril. But I can see no useful purpose from the British point of view in demanding the impossible.

(Copy sent to Berlin.)

I have, &c.,
WILLIAM SEEDS

No. 779

Lord D'Abernon (Berlin) to Earl Curzon (Received May 22, 5.30 p.m.)
No. 238 Telegraphic [C 10463/92/18]

BERLIN, May 22, 1921, 1.40 p.m.

Your telegram No. 115.¹

I have communicated substance of your telegram to General Bingham.

As regards note on enlistment of volunteers for Silesia General Bingham considered this an ordinary act of control in which it was obligatory to act at once as action of raising levies was clearly contrary to treaty of peace articles 160 and 175.

As regards disarmament note of [May 12] Commission was merely carrying out terms of ultimatum.²

In respect of the future I have requested General Bingham, in addition to conforming to decision of December 30th,³ to consult me before agreeing to any communication to German Government which is not strictly within the four corners of Commission's obligations under treaty of peace, or which raises any political issues.

I am sending by bag text of Commission of Control's notes of May 12th⁴ concerning armaments and German answer thereto which is completely satisfactory.⁵

I am also sending copies of two notes by Commission of Control on establishment of (? volunteers) for Silesia of May 14th and May 19th.⁶ These notes so far remain without reply.

¹ No. 776.

² See No. 774, n. 2.

³ See No. 560, n. 5.

⁴ No. 774.

⁵ Transmitted under cover of Berlin despatch No. 740 of May 22, not printed. Cf. No. 777.

⁶ Transmitted under cover of Berlin despatch No. 741 of May 22, not printed.

No. 780

Lord D'Abernon (Berlin) to Earl Curzon (Received May 24, 2.30 p.m.)

No. [244] Telegraphic [C 10683/92/18]

BERLIN, May 24, 1921, 11.10 a.m.

My telegram No. 242¹ covered all important points under discussion between disarmament commission and German Government except Einwohnerwehr and Selbstschutz.

Answer from German Government is not due before May 31st.

Negotiations regarding it between Reich and Bavarian Government are said to be proceeding in a fairly promising manner but Bavarian Government should be left in no doubt whatever as to our view that immediate compliance is imperative.

Repeated to Munich.

¹ Of May 22. No. 100.

No. 781

Lord D'Abernon (Berlin) to Earl Curzon (Received May 25, 10.15 a.m.)

No. 252 Telegraphic [C 10741/13/18]

Confidential

BERLIN, May 25, 1921, 1 a.m.

Doctor Heim, Bavarian leader, has sent me through Baron Stockhammern, late Under-Secretary of State for Finance, document regarding position in Bavaria. This document, which I am forwarding by bag,¹ says in brief:

Situation in Bavaria is as follows:

Up till now Von Kahr has suspected Berlin of not having been sufficiently energetic in defending Einwohnerwehr. Now he understands from ultimatum that it is case of *force majeure* and that he must and can give in without dishonour. His followers would never have forgiven him if he had yielded to Berlin and they will be indulgent with him if he yields to ultimatum from Entente.

Kahr who has encouraged Einwohnerwehr for a year cannot turn round too suddenly. One must distinguish between what Kahr can do and what he cannot do. He can[not] dissolve organization of Einwohnerwehr and he can[not] demand delivery of arms in southern provinces for two reasons:

1. South of Danube country is divided amongst isolated farms and each farmer is accustomed to keep rifles for self-protection.
2. Eastern frontier of Bavaria is open and is threatened by bands coming from Czechoslovakia.

Additional reason which makes it impossible to deprive certain parts of the country of arms is fact that their owners know communists have large stocks of rifles and munitions of war which they have kept since Soviet of 1919 and which no human power can get from them.

¹ Berlin despatch No. 762 of May 25, not printed.

Kahr is absolutely loyal in his sincere will to dissolve Einwohnerwehr but he must proceed cautiously and be left certain amount of time.

Document ends.

I told Stockhamern that matter was extremely urgent and grave. There must be no hesitation on the part of Bavarian Government in dissolving Einwohnerwehr at once and delivering up all the rifles and machine guns in dépôts and in towns. Figure has been mentioned of 240,000 rifles and 3,000 machine guns and there was no chance of Commission for disarmament being satisfied without delivery of this number or some valid reason why they were not forthcoming.

I requested him to allow Heim no misapprehension as to danger of delay or subterfuge in regard to carrying out allied terms. Interview ends.

My impression from conversation is that Bavarian Government will give way about arms and Einwohnerwehr but that vigorous message from His Majesty's Government would clinch the matter and expedite decision.

No. 782

Mr. Seeds (Munich) to Earl Curzon (Received May 25, 6.30 p.m.)

No. 19 Telegraphic [C 10810/13/18]

Confidential

MUNICH, May 25, 1921, 12.50 p.m.

Berlin telegram No. 244.¹

Conversations reported in my despatches Nos. 85, 87, and 93² should leave little doubt in mind of Bavarian Government as to our intentions. Should it be desired to make more definite declaration here I venture to suggest that it should be made by French and Italian representatives as well as myself, for I understand Prime Minister to have found my colleagues less unyielding than myself.

Repeated to Berlin.

¹ No. 780.

² Of May 12, May 15, and May 19 respectively, not printed. In these despatches Mr. Seeds reported his conversations with Dr. Heim, Dr. von Kahr, and Herr Wutzlhofer (Minister of Agriculture). Mr. Seeds had impressed on all three the need to meet the demands of the Allies. To Herr Wutzlhofer he said that Bavaria 'would draw on Germany and on herself the most serious consequences if she adhered to her obstinate attitude'.

No. 783

Mr. Seeds (Munich) to Earl Curzon (Received May 26, 10.10 a.m.)

No. 20 Telegraphic [C 10828/13/18]

My telegram No. 18.¹

MUNICH, May 25, 1921, 3.45 p.m.

I saw Prime Minister to-day after his consultation with Government

¹ In this telegram of May 25 Mr. Seeds reported: 'Bavarian Prime Minister in Cabinet Council last night explained the necessity for complying with allied demands as to Einwohnerwehr.'

coalition leaders. He assured me that Bavarian Government had decided honestly to do their very best to disarm and dissolve Einwohnerwehr. However difficult it was for him personally he would do his utmost to meet allies' demands believing that it was in the interest of Germany and of peace. In same spirit he had ordered police to arrest and disarm individuals suspected of travelling to join German irregular forces in Upper Silesia. Police had already acted in considerable number of cases and he was using his private influence to discourage what he considered misplaced patriotism of volunteers.

His Excellency made an earnest appeal for justice. He feared that whatever he could do, fact that some few rifles might remain un-surrendered would be taken as excuse to impose sanctions.

In that case consequences would be most serious from point of view of peace and order in Bavaria. He trusted in Great Britain's sense of fair play.

Repeated to Berlin.

No. 784

Lord Hardinge (Paris) to Earl Curzon (Received May 27, 10.30 a.m.)

No. 318 Telegraphic: by bag [Confidential/General/199/3]

PARIS, May 25, 1921

The Conference of Ambassadors met this morning under the Presidency of Monsieur Jules Cambon and considered the following questions. . . .¹

(3) The legal advisers having indicated the reasons which would justify the allied Governments in refusing Germany anti-tank arms (see my telegram No. 172, section 3),² the Conference decided on the recommendation of the allied Military Committee of Versailles to refuse the German demands on the grounds laid down in the Versailles Committee's report enclosed in my despatch No. 1532³ of to-day's date. . . .¹

(5) The Conference approved the proposal by the naval advisers with regard to the employment of German submarine Diesel engines for commercial purposes (see Lord Derby's telegram No. 1307 of November 8th, 1920, section 14).⁴ This report, copy of which is enclosed in my despatch No. 1534 of to-day's date,⁵ proposes that the German Government should be given an extension of time (until September 30th) within which to convert these engines for commercial uses. . . .¹

¹ The sections omitted referred to other matters.

² Of April 1, not printed. Lord Hardinge reported that following the submission of the report of March 25 of the Allied Military Committee of Versailles, the Conference of Ambassadors decided to refer the question of whether Germany was entitled to possess anti-tank arms to the Drafting Committee for a legal opinion.

³ The date of this despatch, not printed, is May 26. It would seem that this telegram, though dated May 25, was not despatched until May 26.

⁴ Printed as No. 314 in Vol. X.

⁵ This despatch, not printed, was dated May 26, see n. 3.

Mr. Robertson (Coblentz) to Earl Curzon (Received May 27)

No. 207 [C 11002/66/18]

COBLENZ, May 25, 1921

My Lord,

In confirmation of my telegram No. 65 of May 24,¹ I have the honour to report that I yesterday read in the German newspapers that it had been decided to send to Silesia all the four remaining British battalions now in occupation of the Cologne Area.²

I would venture to point out, with all respect, that the prestige, and, indeed, the whole position of the British Department of the Rhineland High Commission, depends upon the small army which Great Britain has hitherto been able to spare in order to guard Cologne and the Cologne Bridgehead. I feel that Your Lordship will concur with me that when so important a decision is arrived at as one involving the removal of all the British infantry battalions in the Occupied Area and their replacement by French, it is only fair that I should be given warning by the Foreign Office and not be allowed to read of it in the German Press.

The decision is, no doubt, one of major policy, but I feel it my duty to point out to Your Lordship that it cannot but affect our prestige with the local population in the most serious manner. It amounts to a confession that we have no troops to spare to replace four weak battalions should the services of the latter be required elsewhere. We are compelled to call upon the French for assistance to serve in an area which has hitherto been kept quiet and orderly by the smallest of the Armies on the Rhine. A few months ago I drew Your Lordship's attention to the growing feeling of hatred of the French among the population of the Rhineland. This feeling shows no sign of subsiding, rather the contrary. The occupation of Cologne by the French will cause considerable alarm to the local population, and I consider it important that as few French battalions as possible should be sent to Cologne itself. In the event of emergency, reinforcements can be quickly provided from the numerous French troops in the neighbourhood.

I presume that I shall now have to ask my French colleague to be so good as to provide me with the necessary troops for the Customs posts, and I am discussing this matter with General Morland.³

I have, &c.,

ARNOLD ROBERTSON

¹ Not printed.

² See No. 98.

³ Lord Curzon replied in his telegram No. 51 to Coblentz of May 26:

'It is regretted that by an oversight you were not informed in advance of Cabinet decision to send four battalions from Cologne to Silesia.

'French troops substituted at Cologne will be under British command. You can doubtless rely on General Morland to keep you informed of details of local arrangements.

'The British troops leave Cologne night of May 27th-28th. Move will be completed by June 3rd. Two additional battalions are being sent from United Kingdom *via* Cologne.'

Lord D'Abernon (Berlin) to Earl Curzon (Received May 30)

No. 759 [C 11203/47/18]

BERLIN, May 25, 1921

My Lord,

I have the honour to enclose a copy of the Allied decisions respecting aeronautics attached to the ultimatum, together with a copy of a letter from the German Government, setting forth the measures taken, or to be taken, by them to ensure the execution of these decisions.¹

There is attached to these documents a memorandum by Wing-Commander Smyth-Pigott of the Inter-Allied Aeronautical Commission of Control.

I desire to draw your Lordship's special attention to the last sentence of the last paragraph of the decisions which establishes a 'surveillance constante' by the Allied Governments over aviation in Germany after the disappearance of the Aeronautical Commission.

It is at once surprising and satisfactory that the German Government should have agreed to this demand. I attach particular importance to the point, since it might possibly serve at a later stage as a precedent for similar control over other phases of military preparation.

I have, &c.,
D'ABERNON

ENCLOSURE I IN NO. 786

Clauses aériennes des Décisions des Gouvernements alliés

1. La recherche du matériel dissimulé sera facilitée par le Gouvernement allemand et toutes les livraisons prévues par l'article 202 devront être terminées avant le 15 mai 1921.

2. L'Allemagne devra assurer l'exécution de la décision de Boulogne, savoir: ne reprendre les fabrications et importations de matériel aéronautique que trois mois après la date à laquelle la Commission Aéronautique Interalliée de Contrôle aura déclaré l'article 202 complètement exécuté.

3. L'Allemagne devra fournir les compensations réclamées pour les destructions des Zeppelins, compensations dont le détail sera fixé par un contrat spécial.

4. L'Allemagne devra verser avant le 31 mars 1921 la somme de 25 millions de marks sus-indiquée.

5. L'Allemagne devra se conformer à la décision C.A. 91 (III) de la Conférence des Ambassadeurs en date du 8 novembre 1920 relative à l'interdiction de l'emploi de l'aviation dans ses formations de police.

En outre, en vue d'assurer l'application de l'article 198 du traité, qui lui interdit de posséder aucune aviation militaire ou navale, l'Allemagne devra

¹ See Vol. XV, p. 523.

accepter telles définitions établies par les Puissances alliées qui pourront servir à distinguer l'aviation civile de l'aviation militaire interdite par l'article 198. Les Gouvernements alliés s'assureront par une surveillance constante que l'Allemagne remplit cette obligation.

ENCLOSURE 2 IN No. 786

German Government to General Masterman

BERLIN, le 17 mai 1921

Par votre note 6519/2 du 13 mai 1921,² vous demandez à ce que vous soient communiquées, avant le 18 mai 1921, les mesures prises par le Gouvernement allemand en vue d'assurer l'exécution des prescriptions contenues dans les paragraphes 1, 2, 3 et 5 des clauses aéronautiques de votre lettre du 29 janvier 1921.³

Je me permets de vous faire connaître à ce sujet ce qui suit:

1. Le Gouvernement allemand s'efforcera de saisir avec la plus grande rapidité le matériel aéronautique encore caché en Allemagne; il facilitera de toutes façons les recherches de la Commission de Contrôle quant à ce matériel, et est prêt à considérer tous désirs que vous pourriez émettre à ce sujet.

2. Les mesures légales concernant l'exécution de la décision de Boulogne, quant à la construction et l'importation de matériel aéronautique, seront prises dans le plus court délai.

3. Le Gouvernement paiera l'indemnité requise pour la destruction de Zeppelins, et attend la réception d'un projet de contrat y référant.

5. Les formations de police ne possèdent pas d'avions et n'en seront également pas munies à l'avenir.

Le Gouvernement allemand reconnaîtra les conditions et règles des Gouvernements alliés distinguant l'aéronautique civile de l'aéronautique militaire interdite par l'article 198.

VON LEWINSKI

ENCLOSURE 3 IN No. 786

Memorandum by Wing-Commander Smyth-Pigott

With reference to clause 1 of the Allied decisions accepted by the German Government, the disposal of material declared to this commission is far advanced, and should be completed by June 30th, with the exception of certain civilian hangars which will not be down before September 1921, and some military sheds which are being carefully dismantled for transportation to Allied countries. However, it is estimated by this commission that 2,640 engines remain to be discovered, together with a large number of aerial machine guns and valuable wireless and photographic accessories.

It is considered that this commission should continue to function as long as this material remains hidden.

² Not printed.

³ Not printed. See Vol. XV, No. 12, n. 2.

With reference to clause 2, the civilian machines constructed by certain firms contrary to the Allied decision of Boulogne will now be seized by the German Government and be dealt with in accordance with decisions which are awaited from Paris.

Germany will thus be left with, roughly, 100 nearly worn out ex-military machines for the purposes of civil aviation, and no new machines will be constructed until three months after the date on which this commission declares article 202 of the Peace Treaty to have been fulfilled. This date depends chiefly on the discovery of the 2,640 engines mentioned above.

Clause 3 presents no difficulties.

Clauses 4 and 5 have already been settled.

Particular attention is called to the last sentence of the last paragraph of the decisions in which it will be seen that Germany has accepted some form of 'surveillance constante.'

The definitions of civil and military aviation, together with the method of carrying out the 'surveillance constante' mentioned, are now being drawn up in Paris.

No. 787

Record by Sir E. Crowe of a conversation with the German Ambassador
[C 11035/47/18]

FOREIGN OFFICE, May 26, 1921

The German ambassador spoke to me today on the subject of certain aeronautical material which, after prolonged controversy, the German government had now, in compliance with our ultimatum, agreed to hand over to the allied Commission of Control.

The Commission apparently intended to destroy the material when surrendered. This appeared to the German government unnecessary and undesirable. The material was designed for civil flying and not for any military purposes. Would not the requirements of the allied governments be met by Germany's compliance with the demand for surrender? The German govt. were prepared to pay for the material if it could be resold to them, and so the allied govts. would receive its full value.

I said I was not familiar with the details of this transaction, but it seemed to me at first sight doubtful whether the suggestion now made would recommend itself to the allied governments. For I supposed that their reason for insisting on the surrender of the material was to prevent its being used for aeronautical purposes in Germany, and not to secure its money value.

But I undertook to refer the matter to the proper authorities.¹

E. A. C.

¹ i.e. to the Air Ministry, who in a letter of June 4, not printed, confirmed their concurrence in the decisions reached by the Aerial Clauses Commission in Paris on May 27, which were:

- '(1) All the material should be immediately sequestered by the Inter-Allied Aeronautical Commission of Control.
- '(2) The Inter-Allied Aeronautical Commission of Control should then divide it into military and civil material, basing their decision on the definitions already adopted by the Aerial Clauses Commission and the Allied Military Committee of Versailles.
- '(3) The military material should be destroyed and the produce sold by the Reparation Commission.
- '(4) The civil material should be sequestered until the date on which the Germans shall be allowed to manufacture aeronautical material.
- '(5) As compensation for the contravention of the Boulogne decision, the Allies shall have the right to confiscate 25% of the civil material, which shall be divided amongst the Principal Allied and Associated Powers in the proportion laid down by the Supreme Council's decision of 29th September, 1919 [see Vol. I, No. 67, n. 4]'.¹

After reading the Air Ministry's letter Sir E. Crowe commented on June 8: 'Let us say nothing to M. Sthamer unless and until he returns to the charge, but send copy of the corresp[onden]ce to Paris.'

No. 788

Lord D'Abernon (Berlin) to Earl Curzon (Received May 28, 11 a.m.)
No. 262 Telegraphic [C 11054/13/18]

BERLIN, May 28, 1921, 1.30 a.m.

Chancellor has returned from South Germany and has received information from Escherisch [*sic*]¹ who has been in communication with leaders of Orgesch organization in Bavaria.

Leaders are prepared to give up all their heavier equipment such as mine throwers, artillery, machine guns and larger stores of rifles, but they are nervous lest, having given up these, French might make a pretext of a small number of rifles remaining in hands of farmers and others, to execute sanctions.

Chancellor is anxious to receive from His Majesty's Government some kind of assurance that if in this matter substantial conformity with allies' demands is secured, small odds and ends of non-execution will not be considered by them a justification for imposing sanctions. I told him that I could give no assurance on the point but would telegraph to London.

Chancellor considers that by his method and through his negotiations greater effectual delivery of arms will be secured than by any method of force or by order from Berlin.

¹ See No. 777, n. 2.

No. 789

Mr. Seeds (Munich) to Earl Curzon (Received May 28, 10.30 p.m.)
Unnumbered Telegraphic [C 11092/13/18]

MUNICH, May 28, 1921, 1 p.m.

My telegram No. 20.¹

Prime Minister summoned French Minister yesterday and made following proposal which he said was maximum he could induce Einwohnerwehr

¹ No. 783.

leaders and rank and file to accept: Surrender of about 35 field guns and from 1,200 to 1,500 machine guns together with reduction of rifle strength to 120,000 men. (For published figures as to Einwohnerwehr armament see my despatch No. 68 of April 14th).² He could not decentralize Einwohnerwehr as that would entail each local contingent becoming instrument of whatever political party happened to be in the majority in its district.

French Minister considers this as only a clumsy attempt at bargaining preliminary to much greater concessions.

Repeated to Berlin No. 17.

² No. 600.

No. 790

Mr. Seeds (Munich) to Earl Curzon (Received May 29, 12.30 p.m.)

No. 22 Telegraphic [C 11091/13/18]

MUNICH, May 28, 1921, 5.40 p.m.

My immediately preceding telegram.¹

Prime Minister repeated to me the substance of his conversation with French Minister. I said that proposal would leave Einwohnerwehr undissolved and seemed to me to surrender only half official number of rifles quite apart from large numbers believed to be concealed: frankly such a proposal was useless and I was surprised that he should have made it after his assurance to me that he would do his best. He said that he could not induce Coalition parties to agree to dissolution and they would only assist him in the above measure of disarmament if assured that Allies did not insist on dissolving Einwohnerwehr: he thought that we did not attach so much importance to dissolution as to disarmament and he understood that French Minister was prepared to recommend that force should continue to exist as it is now only with diminished numbers. I replied that dissolution was expressly stipulated. He hinted that if so he would be unable to disarm at all and it was useless to demand from him an impossibility. I spoke to him most seriously as to the consequences and he eventually stated what he had said to French Minister should be regarded as estimate of what he could attain rather than as a proposal: he had only mentioned approximate figures in response to pressure by French Minister.

Repeated to Berlin.

¹ Presumably No. 789.

No. 791

Lord D'Abernon (Berlin) to Earl Curzon (Received May 30, 12.25 p.m.)
No. 268 Telegraphic [C 11213/13/18]

BERLIN, May 29, 1921, 7.10 p.m.

I met Chancellor last evening who said he had just come from unsatisfactory meeting (? regarding) Bavarian Einwohnerwehr. Bavarians allege that they are sure of eventually getting concessions about disarmament from England and probably from other Powers provided that they hold out long enough. Chancellor is anxious that His Majesty's Government should tell Bavarian Government in most categorical manner that no concession is to be hoped for, also that His Majesty's Government will give him same message in such a form that he can show it to Bavarians. I told him that I had already telegraphed some days since in a somewhat similar sense¹ and I gathered that His Majesty's Government had taken action.

He replied 'Never mind, ask them as a great favour to me to (? make) two communications I have requested about it. I shall be deeply grateful.'

He added 'If I send you on a Bavarian delegate who takes this dangerous attitude be sure you wash his head well'.

It is clear from above and from Munich telegram 21 to Foreign Office² that Bavarians are intriguing between different Entente Powers making out to each that the other has promised or is going to promise concessions.

In my interview with Doctor Heims [*sic*] . . .³ reported in my telegram No. 252⁴ I was about (as) categorical and rough (? as was) possible.

Repeated to Munich.

¹ See Nos. 780 and 781.

² This presumably refers to No. 789.

³ The text is here uncertain.

⁴ No. 781.

No. 792

Earl Curzon to Mr. Seeds (Munich)
No. 11 Telegraphic [C 11091/13/18]

FOREIGN OFFICE, May 31, 1921, 5 p.m.

Your telegram No. 22.¹

You may declare categorically to Bavarian Government that the only way in which they can avoid automatic application of sanctions is for them to meet their obligations in full.

¹ No. 790.

If you can get your French and Italian colleagues to join so much the better but if not you should act alone.

Addressed to Munich No. 11. Repeated to Berlin No. 139, Paris No. 301 and Rome No. 240.²

² That same day Lord Curzon sent the following telegram to Lord Hardinge at Paris, No. 300, and to Sir G. Buchanan at Rome, No. 239:

‘My telegram to Munich No. 11 of to-day.

‘Please urge Government to which you are accredited to instruct their representative at Munich to co-operate with his British colleague in making desired declaration.’

No. 793

Lord D'Abernon (Berlin) to Earl Curzon (Received June 1, 10.30 a.m.)

*No. 277 Telegraphic [C 11356/13/18]**

BERLIN, May 31, 1921, 8.5 p.m.

I saw Minister for Foreign Affairs this morning.

He handed me copy of German reply to Military Commission's letter of 12th May;¹ this reply runs as follows:—

‘With reference to your note No. 1544 of 12th May, paragraph 3A, I have the honour to communicate the following to you.

‘By reason of the ultimatum accepted by them in connection with note therein referred to of 29th January, 1921,² German Government intend to dissolve following organisations:—

- ‘1. Orgesch organisation.
- ‘2. East Prussian defences.
- ‘3. Einwohnerwehr still existing in Bavaria.

‘They must, however, point out that following considerations against this dissolution have been urged (“gegen die Auflösung folgende bedenken geltend gemacht worden sind”): as regards (2) Prussian Government has declared:—

‘In spite of conclusion of peace with Russia, Polish State still have their army mobilised. They have also had troops marched up to the East Prussian frontier. Population of East Prussia is extremely anxious on account of these warlike preparations on the part of Poland conjunctly with Zeligowski's recent march into Vilna territory³ and events that are now taking place in Upper Silesia. If Poland were to demobilise her troops these cares would be removed and East Prussian defences would be superfluous. As long as this

¹ No. 774. The German reply was dated May 30. This reply was also communicated on June 1 by Dr. Sthamer in London. In his despatch No. 587 of June 8 to Lord D'Abernon, Lord Curzon wrote: ‘Herr Sthamer, in communicating that document, was anxious to call the attention of His Majesty's Government to the fact that events in Upper Silesia had certainly tended to weaken the position of the German Government in the matter of disarmament.’

² See Vol. XV, No. 12, p. 111.

³ For General Zeligowski's occupation of Vilna, see Vol. XI, Chap. II, pp. 592–660, *passim*.

is not the case a removal of defences would result in new organisations being formed consequent upon feeling of defencelessness; such organisations would be out of the scope of official supervision, and could not help being source of greatest danger to peace at home and abroad.

‘As regards (3):—

‘In view of opinion of Bavarian Supreme Court, as shown in attached memorandum,⁴ Bavarian Government hold view that, after giving up their arms, Bavarian Einwohnerwehr will not fall under articles 177 and 178 of Treaty of Peace, and consequently also not under law of 22nd March, 1921. For details reference should be made to statement attached.’

Minister for Foreign Affairs said that personally he would have preferred an acceptance pure and simple, but reply as given above was all he had been able to obtain from Cabinet, which had sat almost uninterruptedly for forty-eight hours and had been in constant telephonic communication with Bavaria. In his view governing phrase was first under which German Government agree to dissolve three great defensive organisations. Subsequent clauses merely transmitted observations of Prussian Government and Bavarian Government without endorsement and without imposing them in any sense as conditioning acceptance. Minister for Foreign Affairs laid stress upon fact that insertion of latter clauses would greatly facilitate practical disarmament and disbandment much more so than a blank refusal by German Government to add anything to plain . . .⁵

His Excellency added that it had originally been intended to include a third observation on the subject of Orgesch, but that he had succeeded in eliminating this from official reply (see my immediately following telegram).⁶ (Repeated to Paris.)

⁴ Not printed.

⁵ The text is here uncertain.

⁶ No. 794, below.

No. 794

Lord D'Abernon (Berlin) to Earl Curzon (Received May 31, 10.30 p.m.)

*No. 278 Telegraphic [C 11312/13/18]**

BERLIN, May 31, 1921, 5.25 p.m.

My immediately preceding telegram.¹

Paragraph regarding Orgesch, which was omitted from official reply to General Nollett [*sic*], runs as follows:—

‘Following objections have been raised against dissolution of Orgesch organisation:—

‘Rules of Orgesch specially emphasised in paragraph 3 that it does not occupy itself with military matters. Rules state that object of union is to bring together all loyal Germans who support law and order. Following are points in programme:—

‘(a.) Preservation of constitution.

¹ No. 793.

- ‘(b.) Protection of person of workman and property.
- ‘(c.) Maintenance of German State, and rejection of any sort of efforts at secession.
- ‘(d.) Maintenance of law and order, and defence against any “Putsch,” whether from Right or Left.

‘No proofs have been forthcoming that Orgesch has actually taken any measures aiming at mobilisation.’

Orgesch will be informed by German Government that this note has been handed privately to Allied representatives, although it has not been included in official communication.

Minister for Foreign Affairs informs me that, in his judgment, fact that Orgesch knows that this statement has been made to Allied representatives, even though it is only made privately, will facilitate practical working of disarmament and disbandment.

(Repeated to Paris.)

No. 795

Mr. Seeds (Munich) to Earl Curzon (Received June 2, 10.15 a.m.)

*No. 25 Telegraphic [C 11437/13/18]**

Your telegram No. 11.¹

MUNICH, June 1, 1921, 5.30 p.m.

In absence of Prime Minister I made declaration to Acting Premier this morning in most categorical manner, adding that Bavaria's obligations included dissolution as well as disarmament.

I have also caused press to be informed.

In accordance with fresh instructions received, French Minister informed Prime Minister personally Monday evening² that his Government insisted on compliance with ultimatum.³

(Repeated to Paris and Berlin.)

¹ No. 792.

² i.e. May 30.

³ Mr. Seeds, in his despatch No. 109 of June 16, stated that his Italian colleague made a belated representation having earlier ‘granted an interview to a journalist in the course of which he had pointed to Italy's abstention from the Anglo-French *démarche* over the Einwohnerwehr question as a proof of his Government's friendly disposition to Germany. Luckily for him the recent strike prevented the publication of the interview.’

No. 796

Mr. Seeds (Munich) to Earl Curzon (Received June 7, 6.30 p.m.)

No. 26 Telegraphic [C 11856/13/18]

MUNICH, June 7, 1921, 12.15 p.m.

Bavarian Commissioner of disarmament has ordered Einwohnerwehr to surrender arms in accordance with decision which, he states, force has itself

taken to comply with Entente's demands. Order only lays down that guns and machine guns must be surrendered by June 10th and remaining arms by June 30th and no mention is made of our demand for surrender of two thirds of rifles by former date. I presume inter-allied control commission will draw authorities' attention to this point.

Repeated to Berlin.

No. 797

Earl Curzon to Lord D'Abernon (Berlin)

No. 151 Telegraphic [C 11480/66/18]

FOREIGN OFFICE, June 7, 1921, 9 p.m.

My despatch No. 542 (of May 2nd) [*sic*]. German Commissioner in Rhineland.¹

French Government have now asked us to join in informing German Government (1) that allied and associated Governments have decided not to approve any appointment for the present, and (2) that the fugitives from justice must be given up.²

I have replied³ that we consider existence of the office of German Commissioner serves a useful local purpose, and that it will be better to give German Government opportunity of establishing good relations with High Commission; but that instructions are being sent to you to act with your colleagues as regards point (2) above.

Please act accordingly.⁴

Addressed to Berlin No. 151. Repeated to Coblenz No. 59.

¹ Foreign Office despatch No. 542 to Berlin was dated May 27. It transmitted copies of correspondence on this subject. See No. 592, n. 6.

² This request was made by M. le Comte de Saint-Aulaire in a note of June 1, not printed.

³ Lord Curzon's reply was contained in a letter of June 9, not printed. On the same date Lord Curzon in communications, not printed, to the U.S. and Belgian Ambassadors explained the British view and expressed the hope that their Governments would share it.

⁴ In his despatch No. 820 of June 10, Lord D'Abernon reported: 'I am informed [by the French Embassy] that it is considered that no useful purpose would be served by representations to the German Government which would not be supported by me and that, since I was not authorised to press for the abolition of the post of German Commissioner, the question would be referred back to the French Government for instructions. . . .'

No. 798

Lord D'Abernon (Berlin) to Earl Curzon (Received June 9, 9.30 a.m.)

No. 295 Telegraphic [C 11929/13/18]

BERLIN, June 8, 1921, 8 p.m.

President of Inter-allied Military Control Commission having stated in writing¹ to Ministry of Foreign Affairs that list of self-protection associations

¹ In a note of June 3, not printed.

to be dissolved as communicated by German Government was incomplete and having demanded complete list of such organisations in addition to Escherich, East Prussian Wehren and Bavarian Einwohnerwehr, German Government have replied² that so far as they are aware list already communicated is complete and that all other organisations have already been dissolved by order of various state Governments. In order to make doubly sure however German Government have addressed further enquiry to state Governments³ and any organisation which may be found still to exist or to have been reconstituted will at once be dissolved in accordance with law of March 22nd and its members punished.

In sending me this correspondence today Secretary of State assures me in a covering letter that German Government have no intention of evading compliance with obligation to dissolve all self-protection organisations which are contrary to stipulation of articles 177 and 178 of peace treaty.

Copy of correspondence by bag.⁴

² In a note of June 6, not printed.

³ Circular telegram of June 6, not printed. The telegram was not sent to Bavaria, where the state of affairs demanded special measures.

⁴ This correspondence was forwarded by Lord Kilmarnock in his despatch No. 833 of June 13, not printed.

No. 799

Lord Hardinge (Paris) to Earl Curzon (Received June 10)

No. 366 Telegraphic: by bag [C 12060/47/18]

PARIS, June 8, 1921

The Conference of Ambassadors met this morning under the Chairmanship of M. Jules Cambon and considered the following questions:—

...¹

(2) The Conference had before it the report of the Allied Military Committee of Versailles enclosed in my despatch No. 1700² of to-day's date dealing with the question of the control of the manufacture of German civil aircraft. As stated in my telegram No. 297 section 15,² I had submitted to the Conference a statement on the views of His Majesty's Government (copy enclosed in my despatch No. 1711 of to-day's date)³ and the Conference had decided

¹ The sections omitted referred to other matters.

² In his telegram No. 297 of May 20, not printed, Lord Hardinge reported that he had submitted (in a memorandum dated May 5) to the Conference of Ambassadors the views of His Majesty's Government on the control to be exercised over the manufacture of German civil aircraft and that the Conference had agreed that the Allied Military Committee of Versailles should be called upon to report at an early date on these proposals. In his despatch No. 1700 of June 8, Lord Hardinge enclosed copies of the British memorandum and a note from the Allied Military Committee, dated May 30, enclosing a report on the proposals. The British memorandum is printed in Vol. XV, pp. 664-5.

³ This despatch, not printed, enclosed a further copy of the British memorandum of May 5.

to refer the whole matter to the Versailles Committee. As Your Lordship will observe, the Versailles Committee have not accepted the views of His Majesty's Government, and in maintaining them the British representative has been in a minority of one.

On the question of control I informed the Conference that I could not agree to the proposed appointment of a special Commission of Control and that I must adhere to the solution which I proposed in my statement of the 5th May;⁴ nor could I accept the view that the decision of the Supreme Council embodied in their note of January 29th⁵ to the German Government should be interpreted as implied and that the Allied Governments were no longer going to avail themselves of Article 213 of the Treaty of Versailles. Marshal Foch showed himself to be keenly interested in this question and made it clear, as did also M. Cambon, that the French Government considered the matter as one involving their national security and therefore one on which they could not and would not compromise. M. Cambon also urged that His Majesty's Government, in agreeing to the note of January 29th, had in fact pledged themselves to some system of direct control. I refused, however, to accept this view, and pointed out that in view of the absolute divergence of opinion on the fundamental question it seemed useless to discuss the matter any further, and that there was nothing for it but to refer the question of control back to the Supreme Council. This was agreed to. I would add that the Italian Ambassador announced that he fully supported the French view on the question of control.

As regards the definition which is to distinguish civil from military aircraft, I was able to accept Rulings 1 to 7 of the Versailles Committee's report,⁶ but I declined to accept Rulings 8 and 9 on the ground that they again raised the question of control which has been referred back to the Supreme Council. Rulings 8 and 9 are therefore also to be referred to the Supreme Council.⁷

The United States Ambassador intervened to ask that no final decision should be taken on any part of this question until the United States Government had had time to express their views. In these circumstances it was decided not to inform the German Government of Rulings 1 to 7 which have been approved.⁸

As pointed out by M. Cambon, the settlement of this question has become an urgent necessity for Germany, inasmuch as the continued failure of the Allied Governments to arrive at a decision is delaying the winding up of the Aeronautical Commission of Control and seriously hampering the German aircraft industry.

⁴ See n. 2.

⁵ See Vol. XV, No. 12, n. 2.

⁶ For these rulings see below, No. 804.

⁷ For the proposed rulings 8 and 9, see below, No. 805.

⁸ In his telegram No. 480 of July 13 Sir M. Cheetham reported that the United States did not wish to participate in formulating the rules for the control of civil aircraft in Germany.

No. 800

Mr. Robertson (Coblentz) to Earl Curzon (Received June 9, 5.25 p.m.)

No. 74 Telegraphic [C 12013/66/18]

COBLENZ, *June 9, 1921, 2.48 p.m.*

Your telegram to Berlin No. 151.¹

I am grateful for Your Lordship's instructions to His Majesty's Ambassador.

Now that the Rhine is occupied by French troops, practically from Dutch frontier to Alsace-Lorraine, it is most important that office of German Commissioner should be maintained through which representations can reach the High Commission direct. French Government no doubt wish to abolish the office, as there would then be very little check on any proceedings of their local officials.

If German Government choose the right man, I consider this a good opportunity of beginning a new era and establishing better relations between High Commission and local German officials.

Late German Commissioner, on leaving, gave Belgian Commissioner and myself to understand that new policy would be adopted by German Government, and that frivolous complaints would cease. I trust this will be so, and I consider it of great importance that opportunity should at any rate be given and agreement granted to the appointment of new German Commissioner without delay.

I should be glad to know if you have any objection to personality of Prince Hatzfelt [*sic*]. It is important that new Commissioner should carry weight with his own Government, and it seems to me that a diplomatist of standing would be likely to do this.²

Repeated to Paris No. 10 and Berlin No. 4.

¹ No. 797.

² In his telegram No. 60 of June 13, Lord Curzon said: 'We have no objection to Prince Hatzfeldt.' This Prince Hatzfeldt was the son of the former German Ambassador in London (March 1888–December 1901).

No. 801

Mr. Robertson (Coblentz) to Earl Curzon (Received June 10, 9 p.m.)

No. 75 Telegraphic [C 12091/66/18]

COBLENZ, *June 10, 1921, 5.10 p.m.*

My telegram No. 74.¹

I gather from conversation with French High Commissioner that there will be some difficulty in inducing French Government to agree to appointment of a new German Commissioner. Their idea apparently is that High Commission should carry on with local *regierungs presidents*. To this I am altogether opposed. It would be most inconvenient from every point of view.

¹ No. 800.

I would suggest that Allied Ambassadors at Berlin might be instructed to inform German Government that allied Governments are willing to agree to appointment of a new Commissioner but it must be clearly understood his duty is to co-operate with High Commission and not to make difficulties for it. He must also see to it that his subordinates adopt a less uncompromising attitude especially in French zone. Allied Governments have reason to be dissatisfied with obstructive policy of late German Commissioner who seems however to have been acting under instructions from German Government. Agreement to new appointment will be given conditionally upon good behaviour. High Commission will of course always be prepared to deal seriously and fairly with any complaints against their own ordinances or actions of their local officials.

Perhaps some such warning to German Government might induce French Government to agree. I myself think that warning would be useful.

Repeated to Paris No. 11, Berlin No. 5.

No. 802

Lord D'Abernon (Berlin) to Earl Curzon (Received June 12, 12.45 p.m.)
No. 298 Telegraphic [C 12147/2740/18]

BERLIN, June 11, 1921, 5.26 p.m.

In my conversation with Minister for Foreign Affairs yesterday he told me his great desire in assuming office had been and was to improve relations between Germany and England. If he found this impossible he would at once resign. In the meantime if anything occurred or if anything was done by his subordinates which appeared to me to militate against better relations he would put it right directly I brought it to his notice.

He advocated above policy not out of affection for England which he disclaimed but because he thought it was the only course of wisdom and safety for Germany. This did not exclude a desire to improve relations with France which might follow as a corollary on improved relations with England. He had done his best to treat France as well as England and to allow no grounds for suspicion that she was least favoured nation. However this attitude requires some reciprocity.

Turning to question of disarmament he said he was satisfied with progress made and particularly with the action taken in Bavaria. Merit of this great success was entirely the Chancellor's who had worked manfully and brought all his personal influence to bear on Bavarian Government and Bavarian political leaders. Apart from political considerations difficulty proceeded from the fact that Einwohnerwehr officers had no other occupation; nobody wanted them abroad and there was no room for them at home. Disbandment therefore meant something like starvation.

He again reverted to parliamentary position of the present Government and said it remained very weak. He hoped that not only would March

sanctions be abandoned but that their abandonment would be communicated in such form that it might be announced by Government in Reichstag instead of through newspapers. By this means something of a parliamentary success might be staged. It was urgently needed.

No. 803

Lord Hardinge (Paris) to Earl Curzon (Received June 17)

No. 376 Telegraphic: by bag [C 12508/47/18]

PARIS, June 15, 1921

The Conference of Ambassadors met this morning under the chairmanship of Monsieur Jules Cambon, the Belgian Ambassador being also present, and considered the following questions:—

1. The Allied Military Committee of Versailles submitted proposals to the Conference with regard to the disposal of aeronautical material manufactured in Germany in violation of the stipulations in the Allied ultimatum of the 5th May which forbids the manufacture of aeronautical material until three months after the Aeronautical Commission of Control shall have declared Article 202 of the Treaty of Versailles to be completely executed. It was decided that material which has been manufactured in Germany in violation of this undertaking is to be dealt with as follows. The German Government is to be told to seize and hand over the material which is to be divided into two categories, military and civil. The whole of the military material is to be appropriated by the Allied Governments under Article 198 of the Treaty; 25% of the civil material is to be appropriated by the Allied Governments as a penalty; and the other 75% to be given back to Germany as soon as the manufacture of aeronautical material is again permitted in Germany . . .¹

¹ The sections omitted referred to other matters.

No. 804

Memorandum by Mr. Brooks on Aeronautical Supervision in Germany and Allied definitions of German Civil and Military Aircraft

[C 12726/47/18]

FOREIGN OFFICE, June 18, 1921

These questions are inevitably bound up together and are of far-reaching importance as their decision involves the continuance or abolition of the Aeronautical Commission of Control. Both were considered in January by an allied conference of experts which met at Chalais Meudon near Paris. The French, Belgian and Italian delegates maintained that suitable rulings could

only be drafted *on the understanding that a permanent allied body of control was to be formed to secure their execution*. The British delegate, supported to some extent by the Japanese delegate, contended that anything like a permanent commission of control would be provocative to the Germans, that adequate safeguards could be obtained by reliance on the ordinary sources of information, and further, that if Germany evaded her obligations, the Allies could have recourse to Article 213 of the Treaty which provides for an investigation by the League of Nations. The result of the conference was a Majority Report in favour of the most strict measures of control in Germany, and a Minority Report submitted by the British delegate, embodying the British view, as stated above.¹

The Supreme Council, by its note of January 29th,² called upon the German Government to accept such definitions, differentiating between civil and military aircraft, as should be decided upon by the allies. The note further stated that the allies would assure themselves, by constant supervision, that these rules were being adhered to. At the Supreme Council meeting the British air representative verbally informed Lord Curzon that the words 'constant supervision' did not in any way imply any departure from the British opposition to any form of permanent control in Germany, and that the Military Committee at Versailles had been notified accordingly.

A further conference of experts in March reported in favour of seven definitions³ of civil and military aircraft, but still no agreement could be reached on the control question. In May, therefore, the Military Committee at Versailles were instructed by the Conference of Ambassadors to examine both questions. This Committee unanimously agreed to the seven decisions taken by the conference of experts in March. There was, however, the same divergence of opinion as formerly as regards the procedure for future supervision. Two proposals for a permanent Supervision Committee in Berlin were supported by the French, Belgian, Italian and Japanese Representatives. The British Representative, however, maintained the view previously held by H.M.G. and said he could not accept them.

The Conference of Ambassadors discussed the report of the Military Committee on June 8. The French and Italian representatives maintained that the allies, by using the words 'constant supervision' in their declaration of January 29, agreed to a permanent commission of control. The British Ambassador refused to admit this contention and it was decided that the matter must be referred to the Supreme Council.

The rival points of view between which the Supreme Council must decide are the following:—

His Majesty's Government maintain that to obtain the desired information a permanent commission of control is unnecessary, would involve friction with the Germans and would be no more likely to prevent Germany from evading her treaty obligations than would the course which they themselves propose. This course is that the allies should obtain the information they require through normally available sources (i.e., Allied Air Attachés at

¹ See Nos. 586 and 589.

² See No. 799, n. 5.

³ See enclosure below.

Berlin) and that any action which might be necessary as a result of this information should be in the form of an investigation by the League of Nations, in accordance with Article 213 of the Treaty.

In support of this view H.M. Government urge that:—

(a) While some restriction is necessary, it must not be such as to make German commercial aviation unprofitable, which would lead to Government subsidies and a virtual state service which would be much more difficult to control.

(b) Curtailment of German civil aviation would react unfavourably on its development in other countries.

(c) Restriction must only be temporary and clear definitions of military and civil aircraft must be communicated to the Germans at an early date.

On the other hand, the French Government maintain that the supervision of German aviation is a matter involving French national security and one on which they cannot compromise. They realise that an early settlement of the question is an urgent necessity for Germany and that delay is injuring the German aircraft industry. They affirm, however, that some definite system of control is absolutely essential, such as a Supervision Committee, possibly with headquarters at Berlin, but in any case with complete liberty to visit Germany whenever it considers this necessary. They contend that such control is involved in the agreed decision of the allies in the Supreme Council's Note of January 29 last.⁴

ENCLOSURE IN NO. 804

Regulations to distinguish Civil Machines from Military Machines

A. Heavier than Air Craft

Rule No. 1. Every single seater machine with power exceeding 60 h.p. shall be deemed a military aircraft.

Rule No. 2. Every machine that can fly without a pilot shall be deemed to be a military aircraft.

Rule No. 3. Every machine with any form of armour or protection or with any fittings to take any form of armament, gun, torpedo, bomb or sights for the above shall be deemed to be a military aircraft.

⁴ This memorandum summarized a longer memorandum received from the Air Ministry on June 16. In a minute of June 21, initialled by Lord Curzon, Mr. Waterlow stated: 'It is for the Air Ministry, rather than for us, to be responsible for pressing the British view at the Supreme Council.' The Air Ministry communicated the memorandum to the Secretary of the Cabinet on (?) July 14, having revised the passage concerning investigation by the League of Nations. The revision ran as follows: 'This course is to rely in the first instance on the normally available sources of intelligence. In the event of any evidence coming to light which indicates a design on the part of Germany to infringe Article 198 in any way, and in particular by departure from the definitions drawn up by the Allies to govern the construction of German aircraft, the German Government should be asked to offer facilities for full investigation in Germany by officers of the Allied Powers appointed for the occasion; or, alternatively and in certain contingencies, reference to the Council of the League of Nations with a view to investigation under Article 213 of the Peace Treaty may become an effective instrument to employ.'

All heavier than air craft exceeding the *following limits shall be deemed to be military.*

Rule No. 4. Maximum ceiling with full load 4,000 metres. (Engines with supercharging device will bring the machine to which they are fitted within the category of military aircraft.)

Rule No. 5. Speed with full load at an altitude of 2,000 metres, 170 kilometres an hour. (Engines at full throttle and consequently giving maximum power.)

Rule No. 6. The maximum amount of oil and fuel (best quality aviation petrol) to be carried is not to exceed $\frac{800 \times 170}{V}$ grammes per h.p. where V is the speed of the machine with full load and full power at 2,000 metres altitude.

Rule No. 7. Every machine capable of carrying a useful load exceeding 600 kilogrammes, including pilots, mechanics and instruments, when the requirements in items 4, 5 and 6 have been complied with, *shall be deemed to be a military aircraft.*

B. Dirigibles

Airships with cubic capacity exceeding the figures given below shall be deemed to be military airships:

- I. Rigid airships, 30,000 cubic metres.
- II. Semi-rigid airships, 25,000 cubic metres.
- III. Non-rigid airships, 20,000 cubic metres.

No. 805

French Ambassador to Earl Curzon (Received June 22)

[C 12834/47/18]

FRENCH EMBASSY, LONDON, *June 19, 1921*

La note du 29 Janvier 1921 a invité l'Allemagne, en vue d'assurer l'application de l'article 198 du Traité, à 'accepter telles définitions établies par les Puissances alliées qui pourront servir à distinguer l'aviation civile de l'aviation militaire' interdite par le Traité. Elle a, d'autre part, énoncé leur volonté de s'assurer 'par une surveillance constante que l'Allemagne remplit cette obligation'. L'ultimatum du 5 Mai avait invité l'Allemagne à souscrire sans réserve à ces décisions.

L'Allemagne ayant accepté l'ultimatum le Comité militaire allié de Versailles s'est préoccupé d'établir les définitions et de déterminer les conditions du contrôle prévues par la lettre du 29 Janvier.

Sur le premier point, l'accord s'est fait aisément en ce qui concerne les règles d'un caractère purement technique; mais le représentant britannique n'a pas pu accepter deux règles proposées par la Délégation française (règles 8 et 9) et en vertu desquelles:

1. Toutes les usines fabriquant du matériel aéronautique devront être déclarées et tous les appareils et pilotes immatriculés dans les conditions établies par la Convention du 13 Octobre 1919.

2. Il ne sera autorisé que le nombre de pilotes et d'appareils, les aérodromes et les stocks justifiés par les besoins de l'exploitation des lignes aériennes en service.

Contrairement à l'avis de la majorité, le représentant britannique a, en effet, déclaré que ces dispositions, qui tendaient à empêcher une mobilisation éventuelle de l'aéronautique allemand[e], étaient inutiles et qu'il suffisait, pour le moment, de s'en remettre à l'article 178 du Traité de Paix.

La majorité du Comité de Versailles a néanmoins approuvé la proposition française, estimant qu'il était nécessaire de préciser, en ce qui concerne les clauses aériennes, la portée de l'article 178 et qu'il convenait pour le faire de profiter du moment où le Gouvernement allemand, ayant accepté sans réserve les décisions de Paris, ne serait pas tenté d'engager à ce sujet une controverse. Il était, par ailleurs, de l'intérêt de l'Allemagne elle-même de connaître dès maintenant dans quelles conditions elle pourrait développer son aviation civile.

En ce qui concerne le contrôle, la Délégation française a fait accepter par la majorité du Comité le principe de la création d'un Comité de surveillance, composé des représentants des Principales Puissances et de la Belgique, siégeant en permanence dans l'un des Etats représentés, mais ayant toute liberté pour se rendre en Allemagne lorsqu'il le jugerait convenable, afin de procéder aux investigations reconnues nécessaires. Ce Comité resterait en fonction jusqu'à ce que l'Allemagne ait satisfait à toutes les obligations qui lui sont imposées par le Traité de Versailles et les divers Protocoles ou Arrangements postérieurs.

Ici, encore, le représentant britannique a déclaré ne pouvoir accepter la proposition française.

La question ayant été portée le 8 de ce mois devant la Conférence des Ambassadeurs,¹ Lord Hardinge a informé la Conférence que son Gouvernement était résolument hostile à l'établissement du contrôle prévu par la majorité du Comité de Versailles et que, à son avis, aucun autre contrôle ne pouvait être institué que le contrôle par le Conseil de la Société des Nations prévu à l'article 213 du Traité de Versailles.

Le représentant français, tout en constatant que, dans ces conditions, il était impossible de discuter la question, a tenu à faire remarquer que les Alliés ayant été d'accord pour [sic] décider de s'assurer par une surveillance constante que l'Allemagne remplissait ses obligations, il était évident que cette surveillance ne pouvait être réalisée que par l'organisation d'un contrôle permanent et non pas par l'application de la procédure prévue à l'article 213. M. Jules Cambon a ajouté qu'il y avait là pour la France une question de sécurité sur laquelle elle ne pouvait céder.

Ces observations ont été appuyées par l'Ambassadeur d'Italie qui n'a pas caché que son pays avait le plus grand intérêt à ce qu'une surveillance

¹ See No. 799.

analogue fût établie sur les camps d'aviation autrichiens et elles ont obtenu également l'adhésion de l'Ambassadeur de Belgique. Quant à M. Wallace,² il a d[â] réserver l'opinion de son Gouvernement qui n'avait pas encore eu le temps d'étudier les propositions du Comité de Versailles.

En raison de l'attitude de Lord Hardinge et après que le Maréchal Foch eut fait observer que le principe de l'immatriculation des avions et des pilotes était accepté par les Gouvernements alliés en ce qui concerne ceux de leurs appareils se livrant à la navigation aérienne internationale, la Conférence s'est vue dans la nécessité de renvoyer la question à l'examen de la prochaine Conférence des Chefs de Gouvernements.

Dans ces conditions, l'Ambassadeur de France a été chargé d'attirer la plus sérieuse attention de Sa Seigneurie le Principal Secrétaire d'Etat aux Affaires Etrangères sur l'importance essentielle que le Gouvernement de la République attache à cette question.

Le Gouvernement britannique s'est toujours p[l]u reconnaître que lorsqu'une question de sécurité se posait, la France avait le droit de faire prévaloir son point de vue; c'est le cas aujourd'hui. A Paris, le 29 Janvier, M. Lloyd George et le Gouvernement britannique ont accepté, en pleine connaissance de cause, le principe d'une surveillance constante sur l'aviation allemande. Il est évident que cette surveillance ne peut en aucune manière être exercée dans les circonstances actuelles par la Société des Nations. Le Gouvernement français est donc en droit de demander au Gouvernement anglais de rester fidèle au principe qu'il avait accepté à la Conférence de Paris. Les Allemands s'attendent à l'établissement d'un contrôle permanent: ils l'ont d'avance admis en souscrivant à l'ultimatum du 5 Mai. La France ne comprendrait pas que, dans une question aussi grave et où sa sécurité est engagée, elle ne trouvât pas à ses côtés ses Alliés britanniques alors que les autres Puissances sont unanimes à accepter ses propositions.

Le Comte de Saint Aulaire saisit, &c.³

² U.S. Ambassador at Paris.

³ In transmitting a copy of this note to the Air Ministry and asking for advice as to the answer to be made, Lord Curzon remarked in his letter of June 25: 'This communication appears to be an attempt to pre-judge, on the ground that all questions involving the security of France should be decided in accordance with the views of the French Government, a matter which has been referred to the heads of the allied Governments for consideration. As regards the statement made in the penultimate paragraph of the memorandum, that on January 29 last His Majesty's Government accepted the principle of "constant supervision" of German aviation, it will be observed that the fact is ignored that, during the meeting of the Supreme Council last January, the British air representative expressly declared to the Inter-Allied Military Committee and also to Lord Curzon that the words "constant supervision", used in the allied note of January 29, in no way implied any departure from the British opposition to any form of permanent control in Germany.'

Memorandum by Brigadier-General J. H. Morgan¹ on the possibilities of a Military Revival in Germany and the means of frustrating it

[C 23963/23963/18]

BERLIN, June 20, 1921

In order to determine the most practicable form of control over any military preparations in Germany after the disappearance of the Disarmament Commissions, it is, I submit, essential first to take into account what those military preparations are likely to be and how they will probably be masked. This is not a matter of guess-work; the experience of the Inter-Allied Military Commission of Control gives us a clue, as it is extremely probable that the attempts made by the Reichswehrministerium in the last 18 months to evade the operation of the military clauses will repeat themselves. This is not merely because the German mind generally works in the same groove. It is because any departures, if they are to be effectively masked, must be made with some degree of outward conformity to the system imposed on Germany by the military clauses of the Treaty. In this connection it will be necessary to consider what degree of finality, if any, the work of the I.A.M.C.C. has now attained and whether it is within measurable distance of its end. That end I should define as the provision of reasonable security against German aggression for a period of twenty years. Beyond that period it is impossible to look.

The German Plan

Any departures from the military clauses of the Treaty will, undoubtedly, take the form of utilizing the Reichsheer and the Schutzpolizei as cadres for expansion. As regards the Reichsheer the German plan has been consistent throughout and has never deviated. It will be remembered that the German Government in their Note of April 1920² submitted to the Allied Governments a proposal to retain the Army at a permanent peace strength of 200,000 effectives. As was pointed out in my second and third reports³ to the War Office, the German scheme, when closely scrutinized, undoubtedly masked a design to preserve the old pre-war Army Corps organisation: it was a scheme to maintain the cadres of 20 Divisions, which by their territorial distribution might expand into 20 Army Corps, and to bring the number of battalions up to as close a correspondence as possible with the number of regiments in the old Army. Some ten months have passed since these proposals were definitely rejected by the Allied Governments but it is not too much to say that the experience of the Effectives Sub-Commission during these ten months points to the conclusion that the Reichswehrministerium

¹ Deputy Adjutant-General on the Inter-Allied Military Commission of Control in Germany and Deputy President of the Effectives Sub-Commission.

² No. 110 in Cmd. 1325 of 1921.

³ *Note on original*: 'Dated 12th May 1920, and 10th June 1920 and printed as official documents.'

have never abandoned them. The Reichsheer is, it is true, *nominally* down to 100,000 but up to the present moment very few, if any, of these men have been definitely engaged for the 12 year term of enlistment. The Reichsheer at the present moment is nothing but a cadre for expansion and the evidence all points to a design to expand it by passing large numbers of men through its ranks for short periods of training on the model of the 'Krümper' system practised by Scharnhorst after the Treaty of Tilsit.⁴ Nothing is more remarkable in this respect than the attempts on the part of the German Government, protracted up until the eleventh hour, to maintain the clause in the new Wehrgesetz by which the number of annual discharges from the Reichsheer was to remain unlimited. This clause they have now been forced to amend, in conformity with the Treaty, but there is nothing to prove, and a good deal to disprove, that they have abandoned the policy indicated in their actual attestations of recruits. The machinery (the Abrechnungssammelstelle) for the demobilisation of the surplus 100,000 effectives, represented by the reduction of the Übergangsheer⁵ Army of 200,000, still remains intact and so long as it so remains there will be no difficulty in expanding the Reichsheer to twice its present strength nor will there be any lack of senior officers to command the reserve battalions or of N.C.O.'s to train them. Much has now come to light since the Spa Conference to reveal the tenacity with which the Reichswehrministerium adhere to the proposals which were then rejected. The establishment of their clothing depots for an Army of 100,000 men is at the present moment as large as that maintained before the war for an Army of 800,000, the stocks of range-finders, of signalling apparatus, of 'spare parts' for machine guns, or of small arms for training purposes, which the German Government have claimed the right to retain until a few weeks ago, varied from three to ten times their normal establishment.

Persistence of the Plan

Has this design been abandoned? I see no evidence of it whatever. Much may be done during the next six months by an exhaustive inspection of the Stammrolle and the attestation papers of the Reichsheer units, and by the dissolution of the machinery for the demobilisation of the Übergangsheer, to ensure that the Reichsheer is really limited to 100,000 effectives. But the fact remains that every one of the units of the new army (Squadrons, batteries, Infantry and Pioneer companies, Signalling and Motor Transport detachments) is now identified with a regiment of the old Army and is stationed to a large extent in the same barracks. This is carried so far that even the old heavy artillery regiments are all represented by batteries of the new

⁴ After the Treaty of Tilsit (July 9, 1807) between France and Prussia, the Prussian King set up, on July 25, a Commission for Military Re-organisation with Scharnhorst as its President. On September 8, 1808, Prussia agreed, however, to limit her army to 42,000 for at least ten years and not to form a militia or civic guard. To overcome these limitations the Commission devised the *Krümper* system ('shrinkage system') of short-term service.

⁵ The transitional army or Provisional Reichswehr, set up under a law of March 6, 1919; see H. J. Gordon, *The Reichswehr and the German Republic 1919-1926*, (Princeton, 1959), pp. 54-55, 81-82, and 169-71.

Army's field artillery which also contains a curious preponderance of 'heavy' gunner officers. It is extraordinary to find an Army whose establishment is not to include heavy guns, gunnery schools, tanks, flying squadrons or railway companies, endowing its artillery, its motor transport and its pioneer units, down to the smallest denomination, with the names, numbers and uniforms of the forbidden formations and organizing a signalling establishment, which by the Treaty is limited to one detachment per Division, with names and numbers which stand for all the regimental signalling units of the Old Army. This is not done without a purpose. It can hardly be said to make for economy or for cohesion to have eight to ten different uniforms in each Cavalry regiment. The same may be said of the allocation of one infantry company to a barracks formerly occupied by a regiment. The German Press is loud in its complaints of the enormous figures of current Estimates for 1921 owing to this policy of dispersion of the smallest units in the Army over the whole of Germany. But the Germans do nothing without an object and the design is obvious.

How to frustrate it

How is this design to be frustrated? Close supervision of the strength returns, muster rolls, pay rolls, ledger books, ration returns, leave lists, 'Rang-listen' of each unit during the next few months is, of course, essential, while examination of the attestation papers is vital. But it has to be remembered that even when, at the end of another six months, we find, if we *do* find, that all these results show conformity with the Treaty and that the 100,000 effectives are finally and definitely attested, there is nothing to prevent the Reichswehrministerium getting round the prohibition of a 'Krümper' system (by the limitation of discharges) with the expedient of sending men on long leave on full pay and training others in their place, provided the necessary funds can be obtained either from the Estimates or from subsidies forthcoming from patriotic organisations such as the Heimatsbund. There is only one way to check this; it is by maintaining for at least a year the right to control periodically, by the same methods as at present, the strength-returns of each Unit. No other method will be effective. Mere inspection of the Budget by a military attaché would reveal little or nothing.

The Budget

As to the Budget there is this to be said. It has long been notoriously the policy of the German Government to escape the limitations placed on the expansion of the Reichsheer, owing to the Treaty restrictions of its administrative services and their personnel, by passing whole services from the control of the Reichswehrministerium, to which they normally belonged, to civil departments.⁶ The effect of this was twofold: it removed these services

⁶ *Note on original:* 'This has been done, notably, with ordnance, clothing, supplies, billeting, remounts, hospitals, barracks, which were transferred to the Reichsschatzministerium or other civil departments. Demobilisation (Abwicklung) was transferred to the Ministry of the Interior, and Pensions ("Versorgung") to the Ministry of Labour—two services which will require very careful watching as organs for mobilization. See below.'

from the Army Estimates and it allowed the Army Authorities to retain large numbers of officers and Military officials (Militärbeamte), disguised under new names and nominally 'demilitarised', at the disposal of the Army. The I.A.M.C.C. have, after 18 months effort, secured an undertaking from the German Government that these services shall be re-transferred and their personnel brought within the Effectives prescribed by the Treaty. But we have no security that they will not again be expanded, after this Commission has left Germany, to their former dimensions by the same expedient: their normal establishment will no doubt remain on the Army Estimates, where we are now placing it, but their actual establishment may be masked under other and civil estimates. The expansion of these services is, indeed, indispensable to the expansion of the Reichsheer and to any scheme of future mobilisation. How is it to be checked? A mere examination of the published Budget next year will convey nothing to a military attaché unless he can go behind the published figures and find out by actual visit and inspection of the Establishments concerned whether the personnel of the Reichswehrministerium, the Ordnance Depots, the Clothing Depots, etc. have been increased. And in this connection it is important to remember that, owing to the work of this Commission being still incomplete, we cannot expect, nor have we even the right to expect, a normal Budget until next year.

Personnel

That an attempt will be made to expand the Reichsheer in the manner indicated above may be taken as certain, and the resources readily available for this expansion, not only in the Stammrolle of the Übergangsheer but in the Police and in the nominal rolls of the Selbstschutz, will provide enough men to expand that Army to at least 500,000 men, possibly a million. I rule out of consideration the mobilisation of the Conscript classes up to 1920, who were called up under the old system, and of any subsequent classes as it may, I think, be taken for granted that no immediate attempt will be made to restore compulsory service. The German Government has, it is true, shown extraordinary tenacity in keeping the old laws, defining and enforcing the 'allgemeine Wehrpflicht', on the Statute-Book but now that they have been definitely repealed they could (perhaps) not be restored except after such prolonged Parliamentary debates and in the face of such Socialist opposition as would give a timely warning to all the Allied Governments. Nor in the present temper of the German working classes is such an attempt probable. In this respect there has been a complete break with tradition. Only under the impulse of some great upheaval of national sentiment, and after a long period of surreptitious training of volunteers, is such a measure likely to take shape. There is, however, a good deal of reason to suppose that all the registers of the Conscript classes up to 1920, and the discharge certificates of the men, are being kept intact in the Versorgungsämter, which are identical with the old Bezirkskommandos or mobilisation centres, and it is not impossible that by the agency of the police registers of inhabitants these lists may be more or less kept up to date and thereby kept in cold storage for the

time when, under some such national impulse as has been indicated, the Reichstag can be prevailed upon to rush through, perhaps in a day, by a suspension of its Standing Orders, a law re-enacting the old Compulsory Service laws en masse. What is quite certain is that the German authorities attach the utmost importance to the preservation of these registers.⁷

The Selbstschutz

The more immediate question therefore is not the possibility of a return to conscription but of the training and mobilisation of a large Volunteer Army. As regards the Einwohn[er]wehren, the Orgesch, the Ortswehr and other auxiliary organisations, they have been so largely, if not entirely, a spontaneous creation of popular sentiment that it is extremely unlikely that they will disappear with their disarmament. They will retain their nominal rolls and I can see nothing to prevent these being drawn up and continued so as to provide lists of men of the 'general service' category available for training with the Reichsheer. Everything has already been done in East Prussia to ensure this in the case of the Ortswehr through the agency of the Kreisräte. The real difficulty of the authorities will be, after the surrender of the surplus stocks, to find sufficient arms to train the men but even if these cannot be manufactured—and the parts of a rifle, as distinct from a gun, can, except for the rifling and the gauging, be made in almost any factory with its ordinary plant—they can probably be imported, as it will be very easy to evade Article 170 by false manifests and way-bills if the Customs authorities connive at such evasion, nor, if such importations are to the account of the German Government, will such disguise be necessary. All that will be required will be to conceal the values under some other head in the published Import and Export returns.

The Police

As regards the Police, the Schutzpolizei are, and will certainly remain, excellent fighting material. The question is whether it will be possible for the Germans to incorporate them, for periods of training, in the Reichsheer. At first sight this may seem difficult as the police are *intended* to be dispersed (they are not yet dispersed) in comparatively small units with a strength varying infinitely with the population of each town and Regierungsbezirk. But if the police are dispersed, so are the Reichsheer, the latter being distributed in small units in the old pre-war Army barracks, of which with an Army one-eighth the size of the pre-war Army, some 80 per cent are still in use, and there is some reason to suppose that the police are being distributed and stationed less with regard to the size of the population than to the distribution of the pre-war garrisons. Moreover, it must be remembered that the German Police force are predominantly a State force, paid and

⁷ *Note on original:* 'Up to the present they have refused to destroy them and a German secret circular has recently come into our possession instructing the local authorities to conceal them.'

controlled by the Ministry of the Interior in each State, and it would be comparatively easy to concentrate a considerable proportion of them for short periods of training. The local authorities have no control over the movement of police from one district to another. Only by local inspection would it be possible to determine whether combined training of police and Reichsheer was being done. It has certainly been attempted. It has also to be remembered that the effectives of the Police are extremely difficult to control and the more we succeed in our policy of breaking up the organisation of the Sicherheitspolizei as a military force the more difficult it will be. A military force by its very nature consists of standardized formations, each unit being an integral part of a larger unit; this uniformity makes it comparatively easy to control its effectives. The Effectives Sub-Commission has yet to discover how it is to control the strength of a police force distributed among the towns, Regierungsbezirks and Gemeinde of 18 different States and, still more difficult, how it is to check the actual 12 year engagements of the men and the regulation of the discharges—three tasks which, owing to the obstructive tactics of the German Government, have not yet even been commenced. It will still remain to check the Budgets of the State and local authorities. It will, I think, be obvious that at least six months, and more probably a year, will be necessary to complete this task.

Material

There remains the question of material. The control of personnel is notoriously difficult but control of material, or rather of its manufacture, will not be appreciably easier. The accumulation of large stocks in the Ordnance and Clothing depots could only be discovered by inspection of these establishments. But one has to go further back and consider the question of manufacture. The I.A.M.C.C. has departed, for reasons which appeared to it to be sound, from the principle, recommended in Article VIII of the Covenant of the League of Nations, of manufacture of munitions of war in State arsenals to the exclusion of 'private enterprise' and has authorised a certain number of private establishments for this purpose. The result is that the manufacture of war material in Germany will not be the subject of public audit and control and the personnel engaged in it will never appear upon any Estimate. As the firms authorised are also engaged in commercial manufacture of such things as locomotives, machine tools, motor cars, typewriters, etc., their balance sheets, their general turn-over, and their issues of new capital will afford no clue to the outsider as to whether they are increasing their munition plant or expanding their munition out-put. They might at any time lay down new gun-presses and instal new rifling machines without anyone being the wiser. The inducement to expansion might be found in State subsidies. But even with their authorised plant, the factories scheduled for authorisation could, by speeding up and working in three 8 hour shifts treble, and more than treble, their production. Such developments can be checked in one and only one way—namely by a periodical inspection of the establishments scheduled by this Commission.

Manufacture of material

The case of powder manufacture presents a particularly easy case of evasion as the authorised factory, at Reinsdorf, is also engaged in the manufacture of celluloid for commercial purposes by a new purpose [? process] which is identical, as regards the plant necessary, with that used in the manufacture of Nitro-Glycerine powder and it could therefore enlarge its powder production almost indefinitely without any change of plant.⁸ As regards high explosives, 73 per cent of the total production of these during the war was turned out by chemical factories with their ordinary plant but the situation is here more easily controllable by the fact that an overwhelming proportion of German chemical factories are, unlike the powder factories, situated in occupied territory and therefore easily accessible to inspection. The same holds good of poison gas; a factory for the production of organic chemical products can be turned over to the manufacture of poison gas with very trifling readjustment of plant in one or two months,⁹ but 94 per cent of the total production of gas took place in factories situated in occupied territory. In both these cases—poison gas and explosives—control might largely be localised but the necessity of control, however localised, would remain. Explosion [*sic*] in the production of guns would be more circumscribed and as regards the manufacture of heavy artillery and its ammunition the Germans would, no doubt, find the undertaking difficult, owing to the dispersion of technical personnel, destruction of plant and shortage of gauges. But the indispensibility of heavy artillery in modern warfare and the tenacity with which the German Government pressed their claims for the retention of 600 heavy guns, together with the fact that a curiously large proportion of the gunners in the new Reichsheer are heavy gunners, render it extremely unlikely that they will be content to limit the Reichsheer to Field artillery, and it has to be remembered that, owing to there being no restriction of calibre for naval guns, they are authorised to retain a certain amount of plant at Krupps' and Ehrhardt's for these purposes, which might be expanded. The German policy in a matter of material is very apparent in the proposals they submitted to this Commission; it was identical with their policy as regards the Reichsheer: the factories they submitted for authorisation, by their number, their plant capacity, their duplication, their capital, their specialization and their dispersion, lent themselves to exploitation as a cadre

⁸ *Note on original*: 'I am informed that the powder factories which have not been authorised and which therefore have to be converted to purely commercial production will take 5 years to effect their complete transformation. Most of these are controlled by one syndicate (Koln-Rottweil) which disposes of large capital.'

⁹ *Note on original*: 'When dealing with Article 171 of the Draft Treaty at the Paris Peace Conference in April 1919, I was approached by Lord Moulton [Director-General of Explosive Supplies in the Ministry of Munitions since 1914] with the suggestion that the military clauses should be amended so as to provide that for a period of five years the German Government should permit free inspection of *all* chemical factories by the Allied Governments. Lord Moulton contended that this was the only way to ensure that the plant was not being used for the manufacture of toxic substances for war.'

for the indefinite expansion of armament production.¹⁰ Surreptitious return to some such policy we must be prepared for and it appears to me that the only way to defeat it is to maintain as long as possible an inspection of the authorised factories to see that they do not exceed their authorised output while, to check any departures in those not authorised, those most suspect, i.e. those which by their history, their staff of designers, and their technical personnel generally, lent themselves most easily to reconversion, must also, even after the destruction of their special plant, be kept under observation for some time.

Control by military attachés

One is therefore forced to the conclusion that some form of control on the lines exercised at present by the I.A.M.C.C. must be continued. It is, I think, obvious that such control could not be exercised by military attachés. A military attaché can only obtain such information as is voluntarily placed at his disposal through official channels: he cannot test the value of that information by independent inspection and even his presence at manoeuvres [*sic*] is merely that of a guest. He may avail himself of the indiscretions of others, but his own enquiries have to be studiously discreet. He has no right to visit any military establishments except by invitation. In this respect the powers of the I.A.M.C.C. are quite exceptional, they are the outcome of an express covenant. These powers expire with the disappearance of the Commissions which exercise them. On the other hand no time limit is set by the Treaty to the duration of these powers; all time clauses in the military section of the Treaty are unilateral, imposing on the German Government the obligation to do certain things in a certain time. They have in fact not been observed but their presence in the Treaty has enabled the Allied Governments to address Notes to the German Government, in the nature of ultimatums requiring the latter to set aside [*sic*] the Allied demands within prescribed periods. The only way to continue these powers of control is to continue the Commissions. This could be done by arranging that a very small cadre of each Commission should continue in existence with one or two itinerant Committees detailed to observe particular districts such as East Prussia and Bavaria. In the case of this cadre observing anything it could immediately be expanded to report on the situation as it arose. This suggestion is worked out in more detail at the end of this paper. As regards control by military attachés, only one thing remains to be said as to its futility. Even assuming that the position of a military attaché lent itself to the task of control, an attaché who had not served on this commission would be ill-qualified to continue its work while one who had so served would be incapable

¹⁰ *Note on original*: 'The list submitted was astonishing in its possibilities. It numbered 34 factories (as against 14 authorised by the I.A.M.C.C.) nearly all of them large concerns with a capacity of production infinitely exceeding the requirements of the Reichsheer. They demanded, for example, a different factory for every type of grenade, although the process of manufacture, whatever the type, is almost identical; they also demanded several different factories for the same article.'

of continuing it. It is inconceivable that the German government would accept with any grace as military attaché an officer who had been engaged in such invidious duties as are involved in the work of this Commission. Such an officer would, as military attaché, find himself both suspect and unwelcome.

Duration of control

It may appear from the foregoing arguments that control, to be effective, must be perpetual. I do not think so. The problem is essentially one of time. It is a question of effecting a breach in tradition. As time runs on, the Corps of Officers 'ausser Dienst', in spite of the tenacity with which they are keeping up their regimental messes, will become more and more absorbed in civilian pursuits, the recruiting registers of the classes called up during the war will grow more and more obsolete, the industrial personnel engaged in armaments designing and gauge-making will die out, apprenticeship to armament production will shrink, the N.C.O.'s of the Old Army who still exist in the Reichsheer and the Sicherheitspolizei will become time-expired and the Allgemeine Wehrpflicht will become but a memory. A new generation is growing up which has never been subject to the obligations of the annual 'Kontrol'. Many of the large military establishments, such as barracks, stores, schools will, under the pressure of considerations of economy, be definitely diverted to other uses. During a period of one to two years the Budget, if the situation is controlled, will return to normal proportions and the present suspiciously large expenditure on the Reichsheer may be reduced. When the present clientele of the Haupt Kadettenanstalt have finished their Gymnasium course at Gross Lichterfelde another generation both of pupils and teachers will take their place. The maintenance of costly establishments¹¹ like the Reichsarchiv will be more and more closely scrutinised on the ground of economy. In all these respects it is notorious that the German Government have been fighting for time; their tactics have always been the same—to prolong the dissolution of various organisations, notably the 'Demobilisation' (Abwicklung) departments, until after the date when it might reasonably have been expected the Disarmament Commission would have been wound up, and thus to maintain a cadre for their continuance and expansion. This was also notably true of the large number of trained Army officials (Militär-beamte) whom they have tried to keep together, in excess of the prescribed number, under the disguise of 'demilitarisation'. It is only by wearing down the authors of this policy that they can finally be induced to abolish all hope of revival and to substitute organic change for what is at present mere functional paralysis often amounting to nothing more than 'shamming dead'. It may be said with some certainty that the surest way to

¹¹ *Note on original*: 'For example the 150 "demilitarised" officers maintained in the Reichsarchiv at Potsdam, in order "to solve the great riddle" ("Das grosse Rätsel muss gelöst werden"—p. 102 of Part V of the German Budget for 1920) as to why Germany lost the war when she had "almost won" it, and whose labours have just got as far as the battle of the Marne.'

encourage these delaying tactics against the work of this Commission is to indicate to the Germans that the Commission is about to depart. It is no paradox to say that the more indefinite the duration of this Commission appears to the Germans to be, the more final is their execution of the military clauses likely to become.

In any case it is not to be expected that a Nation which has been organised for war for over fifty years by the most searching form of conscription known to history, a system whose roots in the case of Prussia are 150 years deep, and whose Civil Service, Police and Education have all been tempered to that end, can be completely 'demilitarised' in two years. There are still too many 'life interests' involved in a return to the old system. Apart from the professional interests of the Armament firms, the Corps of Officers, the Military officials, and the N.C.O.'s, one has also to take into account the belligerent emotion of two strata of the population—youth and age, that is, those who were too young to be called up for military service and those who were too old. It is a common experience in all countries that those who are most disposed to glorify war are those who are least exposed to the risks of it. These two classes, strongly represented in the Universities and Gymnasias by the Students on the one hand and the Professors on the other, are a fertile field for militarist exploitation. But in time the old will die and the young will forget. In this respect the next five years will be decisive; they may decide the issues of peace and war in Europe for a generation.

Conclusion

In conclusion, I suggest some such continuance of control as the following. The I.A.M.C.C. may be expected to terminate its duties sometime between December 1921 and June 1922, though it may be possible to effect gradual and considerable reductions in its personnel before the actual date is reached. The latter date (June 1922) will be a critical one, as it is then that the first normal army budget will be, or should be, produced. It will therefore, for the reasons indicated above, afford a decisive test for determining the continuance of control. The most effective way to ensure that control will be to maintain a small H.Q. Staff of the I.A.M.C.C. at Berlin with a small establishment at Munich to keep Gruppen Kommando No. 2 and the Southern Wehrkreis commands under observation. The whole of the District Committees could be withdrawn, but, for each district, one senior officer acquainted with the District should be kept on and attached to H.Q. to pay flying visits of inspection where necessary. It would be desirable in the case of East Prussia, in view of its peculiar character, to maintain the cadre of a small committee at Königsberg. In this way the effectives Sub-Commission establishment could be reduced by five-sixths¹² or about 83 per cent. If the Armaments Sub-Commission were reduced proportionately (the Fortifications Sub-Commission could be dispensed with altogether) an enormous saving in expenditure would be effected.¹³ The cost would in all

¹² *Note on original:* 'From 88 officers to 15.'

¹³ *Note on original:* 'The present armaments sub-Commission numbers well over 200 officers.'

probability be reduced in even greater proportion i.e. by about 90 per cent as, apart from the reduction of establishment, certain services such as 'Q' service would be dispensed with altogether while the expenditure in car upkeep and petrol, office accommodation and almost all district Committee expenses would be reduced to vanishing proportion. There would be little cause for complaint left to the German Government on the score of expense and, while the cost to the Allied Governments would be merely that of the pay of a handful of officers detached to serve on the Commission, to burden the German Government for another two or three years with 10% of the present expenditure on the Commission does not seem a very heavy premium to exact for ensuring the Allies against the repetition of another war. It is hardly necessary to point out the saving that the Allies would be enabled to make in their own army Estimates by the removal of the menace to their security.

J. H. MORGAN

No. 807

Lord Kilbarnock (Berlin) to Earl Curzon (Received June 23, 5.40 p.m.)
No. 328 Telegraphic [C 12958/416/18]

BERLIN, June 23, 1921, 1.15 p.m.

Doctor Rathenau¹ asked me to call on him today and told me he had been authorized by Chancellor to tell me privately that reports as to surrender of arms in Bavaria were very satisfactory, and especially that Herr von Kahr had assented to disarm Einwohnerwehr. He considered this last information as very important and he believed that once Kahr has promised it he would carry out his undertaking.

Rathenau also enquired whether I had any news as to when settlement of Upper Silesian question might be expected. I told him I did not think this was likely to take place before next meeting of Supreme Council, which I understood from papers would probably not be before middle of July. Rathenau again impressed on me vital nature of this question for Government. An unfavourable solution would inevitably lead to fall of Cabinet and consequence would be change of policy, which must interrupt work of reconciliation which had so far progressed satisfactorily.

¹ German Minister for Reconstruction, see No. 448, n. 3.

No. 808

Lord Hardinge (Paris) to Earl Curzon (Received June 30, 10.30 a.m.)
No. 430 Telegraphic: by bag [Confidential/General/199/3]

PARIS, June 29, 1921

The Conference of Ambassadors met this morning under the chairmanship of M. Jules Cambon and considered the following questions:— . . .¹

¹ The sections omitted referred to other matters.

3. The Conference considered the German protest (copy of which is enclosed in my despatch No. 1880 of to-day's date)² against the decision of the Germano-Belgian Boundary Commission³ to allocate the Eupen Malmédy railway to Belgium (see my telegram No. 231 of April 27th, section 2).⁴ The Conference decided to reject this protest, as well as the proposal that the question should be referred to arbitration, and to insist once again on the German member of the Boundary Commission signing the report of the Commission allocating this railway to Belgium. . . .⁵

² Not printed. The German protest dated June 16, not printed, was made by the German Ambassador in Paris (Dr. Mayer) to the President of the Conference of Ambassadors. A copy was communicated to the Foreign Office by the German Ambassador in London on June 17.

³ The Commission was established under Article 35 of the Treaty of Versailles to determine the new frontier between Germany and Belgium. The Commission's decision of March 27, 1920, which was accepted by Belgium and by France, Japan, Italy, and Great Britain, was communicated to the Conference of Ambassadors. The delimitation proposed by the Commission was accepted on July 22, 1920, by the Conference of Ambassadors which resolved that the delimitation should be carried out whether or not the German Government consented.

⁴ This telegram reported that despite repeated protests by the German Government the Conference decided on April 27, 1921, to confirm all the decisions taken by the Boundary Commission.

⁵ The sections omitted referred to other matters.

No. 809

Mr. Seeds (Munich) to Earl Curzon (Received July 11)

No. 124 [C 14165/13/18]

Munich, June 30, 1921

My Lord,

As I had the honour to report by my telegram No. 28 of yesterday,¹ the local official 'Gazette' published, under date of the 28th instant, the proclamation of June 24th by the German Government dissolving the Einwohnerwehr and making further membership of the force punishable by a fine of up to 50,000 marks or imprisonment up to three months. By merely publishing their proclamation without issuing an order of their own, the Bavarian Government consider that they are saving their face and keeping true to their policy of leaving it to the Einwohnerwehr to obey of their own accord the dictates of a Berlin Government shamefully subservient to the *Entente*. Similarly, in his farewell letter to the leaders of the force, Dr. Escherich is careful to say that he cannot bring himself to help the Government in the work of dissolution, and that it is into the hands of the Einwohnerwehr itself that he lays his resignation of the chief command. The main thing, however, is that the force can now be considered as having ceased to exist; like the conservative papers in their valedictory articles to the Einwohnerwehr, Dr. Escherich abuses the Government of the Reich, but says that submission is inevitable; he is confident, nevertheless, that though the Einwohnerwehr have surrendered their arms and broken up their

¹ Not printed.

organisation, their spirit of patriotism will live on and spread. 'Our work has not been in vain, the seed has been sown and the harvest will surely come.'

I have been speaking to the chief official of the Reichstreuhandgesellschaft which has been collecting the arms. He informs me that the work was satisfactorily carried out in all the towns, and also in the country districts with the exception, as was to be foreseen, of Upper Bavaria, where the peasants proved intractable. The latter well knew that it was not possible for the police and judicial authorities to arrest them in their thousands, and they flatly refused to surrender their rifles which they considered their own personal property and not that of the Einwohnerwehr. The total collected up to the 28th instant was as follows:—

44 guns (most of them quite useless).
34 bomb-throwers.
2,731 machine guns.
169,800 rifles.
8,030 side-arms.
1,961 rounds of artillery ammunition.
1,410,000 rounds of rifle ammunition.
1,077 bombs and hand-grenades.

The number of rifles he considered satisfactory, having regard to the difficulties in Upper Bavaria and to the smuggling of rifles out of the country. He said that in the recent troubles in Central Germany many of the Communists were found to be in possession of Einwohnerwehr rifles which had evidently been sold to them by the less respectable members of the force. As regards the dissolution of the force, he said that the Einwohnerwehr would be duly eliminated from the register of associations legally recognised, and, what was more important, the 600 odd officials of the central organisation would be deprived of their jobs from the end of this month.

The French may be right in stating that, apart from the arms in the hands of the Upper Bavarian peasants, there are still 150,000 Einwohnerwehr rifles which have never been officially notified; on the other hand, any such rifles are as well concealed as those possessed by Communists and are as impossible to extract from their individual owners, I venture, therefore, to refer Your Lordship to my despatch No. 94 of the 20th May last² and strongly to urge that, from the political point of view, enough has been attained, and that further pressure on Bavaria would not produce sufficient practical result to outweigh the hostility which such pressure would arouse and which could scarcely serve British interests.

(Copy to Berlin.)

I have, &c.,

WILLIAM SEEDS

P.S.—I have the honour to enclose herein a summary of Dr. von Kahr's farewell message to the Einwohnerwehr, which has been published this morning.³

W. S.

² No. 778.

³ Not printed.

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received July 8)

No. 462 Telegraphic: by bag [C 13947/66/18]¹

PARIS, July 6, 1921

4. The Conference [of Ambassadors] had before it a memorandum reporting M. Cambon's interview with the German Ambassador on the subject of the appointment of a new German Commissioner in the Rhineland (see my telegram No. 447 [A] of July 2nd).² M. Cambon explained that it was most undesirable that the allied Governments should give a formal *Agrément* to the appointment, as by doing so they would to a certain extent tie their hands in the event of the new Commissioner adopting an objectionable attitude. It was, moreover, pointed out by the Belgian Ambassador that the post of German Commissioner was not provided for anywhere in the Treaty, and that the appointment of Herr Von Starck was made by the German Government without any formal approval being obtained from the allied Governments. In any case, M. Cambon urged that the Conference of Ambassadors were not competent to express either approval or disapproval of the appointment and that it was not for them to give advice to the German Ambassador as to how he should proceed in the matter. On the other hand, I objected to the proposal that the German Ambassador's application should be referred to the Rhineland High Commission, for the reasons given in Mr. Robertson's telegram No. 79.³ Unfortunately, I had no copy of the Supreme Council's Note of July 29th, 1919,⁴ referred to by Mr. Robertson. Against this Monsieur Cambon quoted Article 2 of the Rhineland Agreement which states that the Rhineland Commission is a supreme representative of the allied Powers within the occupied territory. As it was impossible to arrive at any conclusion, the matter was eventually adjourned in order to enable me to obtain further instructions.⁵ I am informing Mr. Robertson of the above. I gather that the French Government no longer desire the suppression of the post of German Commissioner. . . .

¹ Section 6 is printed from C 13946/47/18 and Section 11 is printed from C 13943/47/18.

² This telegram, No. 447A, reported that the German Ambassador had asked M. Cambon whether the Allied Governments would have any objection to the appointment of Prince Hatzfeldt as the new German Commissioner.

³ Of July 4, not printed. In this telegram Mr. Robertson drew Lord Curzon's attention to paragraphs 5 (a) and (b) of the Allied note of July 29, 1919 (see No. 592, n. 5), which indicated that it was for the Allied Governments and not the Rhineland High Commission to approve the appointment of the German Commissioner.

⁴ See No. 592, n. 5.

⁵ In his telegram No. 385 of July 11, Lord Curzon instructed Sir M. Cheetham as follows: 'When this matter again comes before Conference—which we hope will be at next meeting—you may think it useful to point out to Monsieur Cambon that we do not, in any way, dissent from his view that Rhineland commission is supreme representative of allied Powers in occupied territory. It will consequently be for the commission to verify the powers of the new German commissioner after his appointment.' (See n. 3.)

6. The appeal made by the German Government against the decisions of the Commission of Control and of the Reparation Commission for the purpose of controlling the raw material and machinery belonging to the 'Deutsche Werke' was considered. (See Your Lordship's despatch No. 1834 of July 4th.)⁶ The Allied Military Committee of Versailles, in a report, copy of which is enclosed in my despatch No. 1970 of to-day's date,⁷ was unanimously in favour of maintaining the decisions of the Commission of Control. General Weygand pointed out that from the military point of view the question was of considerable importance as the 'Deutsche Werke', which was formed from the former State munition factories would, if uncontrolled, be able to produce war material on a large scale at short notice. The action taken by the Commission of Control was strictly in accordance with the military clauses of the Treaty of Versailles, but in view of the fact that the German Government urges revision of the decisions of the Commission of Control from the point of view of the injury they are alleged to inflict upon economic interests, it is for consideration whether the opinion of the Allied Military Committee of Versailles should be maintained. I accordingly obtained the adjournment of the question pending further instructions from Your Lordship. In the meanwhile I am ascertaining from the British delegate on the Reparation Commission whether he has any views on the matter. The legal issue raised by the German Government is very similar to that which has been referred to the legal advisers in connection with the seizure of the stocks held by German 'War Companies' in the Rhineland (see Lord Hardinge's telegram No. 362, paragraph 14, of June 3rd.)⁷ . . .

11. As shown in Lord Hardinge's despatch No. 1842 of June 24th,⁷ the German Government have refused to sign the protocol for regulating the cession of certain aeronautical installations to be handed over to the German Government for the use of civil aviation (see Lord Hardinge's telegram No. 297, section 16).⁸ The German Embassy has since proposed verbally to the Secretary-General of the Conference that there should be oral discussion between technicians [*sic*] to clear up doubtful points. It was decided that

⁶ This despatch transmitted a copy of Foreign Office despatch No. 668 to Berlin of June 30, not printed, and enclosed a copy of a War Office letter of June 27 regarding the surrender of raw material and machinery in former German State factories. Despatch No. 668 requested Lord D'Abernon to comment upon the War Office statement that the question was 'of no military importance', that it concerned 'solely the question of reparations and economic reconstruction in Germany' and accordingly the matter was one for Foreign Office decision. The *Deutsche Werke* was a private enterprise to which the former State munition factories had been transferred in January 1920. By a resolution of February 10, 1920, the Conference of Ambassadors, with a view to providing employment for German workmen, allowed the maintenance of the former *Reichswerke* in so far as the factories could be adapted to non-military production. (See Vol. X, No. 8.) A memorandum of the German Government, dated June 1, 1921, urged the Conference of Ambassadors to intervene with the Inter-Allied Military Commission of Control and the Reparation Commission in order to leave at the disposal of the *Deutsche Werke* the raw material and scrap resulting from the destruction of machinery and to end prohibitive measures which prevented the *Deutsche Werke* from moving machinery from one factory to another.

⁷ Not printed.

⁸ This section is not printed.

such oral negotiations were unnecessary. On the other hand the Air Clauses Committee recommended that no further action should be taken with regard to this protocol, until after the Supreme Council had settled the fundamental question as to the future supervision of German civil aviation (see Lord Hardinge's telegram No. 366, section 2 of June 8th).⁹ The Conference however held that it was undesirable to acquiesce in the German Government's refusal and it was accordingly decided to notify them without entering into any arguments, that they must sign the protocol. . . .¹⁰

⁹ No. 799.

¹⁰ The sections omitted referred to other matters.

No. 811

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received July 13, 12.30 p.m.)

No. 363 Telegraphic [C 14306/13/18]

BERLIN, July 12, 1921, 7.50 p.m.

On question of disarmament of Einwohnerwehr and other organizations in this country commission of control reports that in Bavaria a central dépôt has been established at Amberg for the collection of arms. In the last fortnight 60,000 rifles 630 machine guns and 2,300 bayonets have been handed in to this dépôt from various Einwohnerwehr dépôts in Bavaria. Trains with arms continue to arrive at Amberg and definite result of disarmament should be known in about ten days. Commission of control is so far satisfied with results in Bavaria and expresses surprise at smoothness with which disarmament is being carried out.

In East Prussia disarmament action has resulted in collection of 31,000 rifles and carbines and 202 machine guns at central dépôt at (? railhead). In this province too, expectations of commission have been exceeded.

Collection of arms from German protection defence corps in Silesia however is not proceeding satisfactorily. No definite results are known but number of rifles collected from returning members of Selbstschutz is not considerable.

No. 812

The Marquess Curzon of Kedleston to Sir M. Cheetham (Paris)

No. 1990¹ [C 14248/66/18]

FOREIGN OFFICE, July 20, 1921

Sir,

With reference to paragraph 16 of your telegram No. 480² of the 13th of July in regard to the appointment of a German Commissioner in the Rhine-

¹ The draft only of this telegram is preserved in the Foreign Office archives.

² Not printed. Sir M. Cheetham reported a French request that the question of the appointment of a German Commissioner in the Rhineland should be held over until the next meeting 'as they were making further enquiries from the French High Commissioner at Coblenz'.

land, I transmit to you, herewith, a copy of a despatch³ from H.M. representative on the Rhineland Commission on this subject.

2. You will observe that the French representative on the Commission has recommended to his Government that the allied Governments should, in return for the recognition of Prince Hatzfeldt, demand of the German Government the acceptance of the following conditions:

- (a) The loyal collaboration of Prince Hatzfeldt with the High Commission.
- (b) No systematic obstruction by Prince Hatzfeldt or by his subordinate officials to the High Commission.
- (c) The dissolution of the secret associations such as the 'Pfalz Central' at Heidelberg.
- (d) The surrender to the High Commission of certain accused persons (presumably those connected with or responsible for the secret associations).
- (e) The withdrawal of the secret arrangements made by the German Government in order to circumvent the corrective measures inflicted by the High Commission, such as expulsion, fines, etc., and the punishment of those persons who gave the orders therefor.

3. Should the French Government make proposals at the Conference of Ambassadors with a view to the acceptance of such conditions by the German Govt., you should not, without further instructions, support the demand for the surrender of the 'accused persons', nor that for the punishment of those members of the former German Government who made secret arrangements for neutralising the expulsions and fines decreed by the Rhineland Commission.

4. The other conditions, which the French representative on the Rhineland Commission desires to impose, appear to be justified.

CHARLES TUFTON

³ Not printed. A copy of Coblenz despatch No. 288 of July 9 was enclosed with this despatch. The information given in paragraph 2 had been reported in Coblenz despatch No. 283 of July 7, not printed.

No. 813

*Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 22, 10.26 a.m.)*

No. 504 Telegraphic: by bag [Confidential/General/199/3]

PARIS, July 20, 1921

The Conference of Ambassadors met this morning under the chairmanship of M. Jules Cambon, the Belgian Ambassador being present for Item No. 5, and considered the following questions:—

The new American Ambassador¹ attended for the first time . . .²

5. The Conference considered the French proposal with regard to the approval of the German Commissioner for the Rhine, which was enclosed

¹ Mr. Myron T. Herrick.

² The sections omitted referred to other matters.

in my despatch No. 2041 of July 19th.³ It will be observed that the French have now agreed to our view that the allied Governments are bound to give their *agrément* to the appointment. On the other hand their proposal that this *agrément* should be conditional on the German Government giving satisfactory assurances as to the behaviour of the future Commissioner, appears reasonable. I stated, therefore, that in principle I was prepared to agree to this course, but that I must have time to examine the draft note to the German Government which has been submitted to the Conference.⁴ I should be glad to learn therefore whether in the event of the British High Commissioner in the Rhineland seeing no objection, I am authorised to approve this draft as it stands.⁵ I am communicating with Mr. Robertson on this subject. At the request of the United States Ambassador an amendment was made in the second paragraph of the note, so as to exclude the United States. . . .⁶

³ Not printed.

⁴ This draft was enclosed in Lord Hardinge's despatch No. 2041 of July 19.

⁵ Lord Curzon replied in a despatch, No. 2032 of July 25: 'I would refer you to my despatch No. 1990 of July 20 [No. 812], which, no doubt, crossed your telegram under reference.'

⁶ The sections omitted referred to other matters.

No. 814

*Mr. Robertson (Coblentz) to the Marquess Curzon of Kedleston
(Received July 23, 10.15 a.m.)*

No. 81 Telegraphic [C 14975/66/18]

COBLENZ, July 22, 1921, 5.50 p.m.

Sent to Paris No. 17.

Your telegram No. 9¹ only reached me to-day.

I agree to text of draft note sent in your despatch of July 19th.² It should, however, in my opinion be made clear that approval of appointment need not await delivery of persons referred to in paragraph 5 of note.³ I think that German Government will have genuine difficulty in finding those persons now.

¹ This telegram from Paris to Coblentz has not been traced in Foreign Office archives.

² See No. 813, n. 4.

³ See No. 812, paragraph 3.

No. 815

Memorandum by the Secretary of State for Foreign Affairs

*[C 15277/13/18]**

FOREIGN OFFICE, July 27, 1921

*Supervision of German Military Activities after the Dissolution
of the Inter-Allied Commissions of Control*

I circulate to my colleagues certain correspondence (Annexes I to V) dealing with the method whereby any possible development of German

military activity in the future may best be controlled and supervised by the Allied Governments after the dissolution of the Inter-Allied Military, Naval and Aeronautical Commissions of Control. As this question will have to be considered by the Allied Governments at an early date, I should be glad to know that the course which I propose to recommend is approved by the Cabinet.

2. The Inter-Allied Military, Naval and Aeronautical Commissions of Control were established under the Treaty of Versailles to supervise the execution of the military, naval and aeronautical clauses of the treaty. With the complete execution of these clauses the commissions must disappear. The only heir to their activities, foreshadowed under the treaty, is an investigation which, in regard to any particular matter, may be conducted under the auspices of the Council of the League of Nations, in virtue of article 213 of the treaty.

3. Given the present status of the League, such an investigation appears of doubtful value. It is most improbable that it will satisfy the French. Indeed there are already signs that the French, while opposing the immediate dissolution of the existing Commissions of Control, are seeking to transfer their functions to new organisations containing all their disadvantages.¹ The new organisations which the French apparently have in mind would be in permanent session and consequently costly to Allied finance. In them, moreover, would be inherent all the occasions for friction between Germany and the Allies, which it has been the constant policy of His Majesty's Government, as far as possible, to remove.

4. The type of organisation for which I would ask the approval of the Cabinet is of a less ambitious nature. It is described in detail in the War Office and Air Ministry letters annexed (Annexes III and IV). It would consist of military, naval and aeronautical commissions, each comprising echelons of officers of those Allied nationalities now represented on the Inter-Allied Commissions of Control. These officers would normally be employed in their own capitals in their ordinary work. Only when the Allied Governments themselves, or some such Allied body as the Conference of Ambassadors in Paris, acting upon the advice of the Allied War Offices, or of some joint military body such as the Inter-Allied Military Committee of Versailles, received reports of suspicious German military, naval or aeronautical activity, would these military, naval or aeronautical commissions respectively be ordered to assemble, to investigate and to report. These commissions, unlike the Inter-Allied Commissions of Control, would have to be paid by the Allied Governments.

5. This, in brief, is the proposal which I have in mind. It is not covered by the treaty, for it is in temporary substitution, at least, of the investigation by the Council of the League of Nations, contemplated under article 213. It is therefore necessary to obtain German consent before it can be put into execution. This consent can only be obtained by the offer of some *quid pro quo* to the German Government.

¹ See Nos. 804 and 805.

6. The *quid pro quo* which I would recommend would consist, in part at least, of an undertaking on the part of the Allied Governments to dissolve the existing commissions of control by fixed dates. This undertaking must be immediate, for the time for the dissolution of the existing naval and aeronautical commissions of control is, I believe, almost if not already overdue, and the drastic reduction of the military commission of control cannot be much longer delayed.

7. I would therefore suggest that the Supreme Council should at its next meeting be urged to adopt the proposal outlined above, notify it to the German Government, and offer to the German Government, in return for the acceptance of this proposal at least, the reduction of the existing commissions of control to skeleton liquidating committees by certain fixed dates and, by further fixed dates, their complete dissolution.

C. OF K.

ANNEX I TO NO. 815

Lord D'Abernon (Berlin) to Earl Curzon (Received June 30)

No. 789 [C 13421/13/18]

BERLIN, June 8, 1921

My Lord,

Now that the reparation question is settled it would seem that the most important and urgent question before European statemanship is the control over military preparations in Germany after the disappearance of the Disarmament Commissions.

Until recently article 213 of the Treaty of Versailles has been regarded as the sheet anchor. It runs as follows:—

‘So long as the present treaty remains in force, Germany undertakes to give every facility for any investigation which the Council of the League of Nations, acting if need be by a majority vote, may consider necessary.’

Whatever the validity of this clause, if the League of Nations had developed as its friends expected, it is impossible to feel any great confidence in it under present circumstances.

I have at frequent intervals suggested that, at some favourable moment, negotiations might be entered upon with the German Government under which certain advantages might be granted them in the matter of reparation or in the matter of immediate disarmament if they agreed to the establishment of a reasonable form of international insurance against future war dangers. But these suggestions have not found much support; I am told that the Admiralty and War Office are absolutely opposed to anything of the nature of military control.

Now I fully recognise that there are valid objections to a long continuance of the present Military Commission; its expense, the danger of friction, the inquisitorial nature of its functions, &c., all render it unsuitable for prolonged existence. But is there no device or compromise which would give the

security or insurance required and which would not encounter military objection?

I gather from a letter—copy of which I enclose—from Marshal Foch to Admiral Charlton of the 3rd September, 1920,² that the subject of future control has been at different intervals under consideration by the Allied Military Committee of Versailles, but that owing to the alleged opposition on the part of the English naval and military advisers, no definite action has been taken. I am not sure that some misconception does not exist in France regarding the precise views of His Majesty's Government. As I understand it the Cabinet was, in the first instance, inclined to adopt a recommendation that a Permanent Advisory Commission of the League of Nations should establish a Commission of Investigation in Germany, which should include:—

- (a) A president from among the members of the Permanent Advisory Commission.
- (b) The local attachés and such other members of the Permanent Advisory Commission as the Council may direct.
- (c) Additional technical members to be asked for when required by the Council for [from] such Governments as they might decide.

This scheme was dropped, as both the Admiralty and the War Office felt strong objections to allowing naval and military attachés to be employed for this purpose, on the grounds that they would be regarded in Germany merely as spies of the League of Nations, and their good relations with the German naval and military authorities would be destroyed. The validity of this argument would appear somewhat doubtful, and, in so far as it may be true, is susceptible of being met by minor modifications.

The latest available information goes to show that the French Government now think that the Allied Governments individually would have at their disposal means of learning whether any serious infraction of the military clauses of the treaty had occurred, and, if such infraction did occur, would be able to bring it to the notice of the League of Nations. But the present status of the League of Nations, however, does not seem to afford grounds for anticipating that such action would be particularly effective. Any weight the representations of the League of Nations might have would be seriously diminished if it had to act on casual information obtained in a manner different from that laid down in the Treaty.

Is it not probable that action by an international body with an impartial and non-national status would have greater authority in Germany and would arouse less resentment than action through the naval and military attachés of one of the Allied Governments. My strong preference, therefore, is for action by an international, as opposed to a national, body.

The whole matter is of such vast importance that I trust it will be fully considered by His Majesty's advisers before it is too late. There is not much time. The Commissions of Disarmament have made such rapid progress with their work that their numbers will be largely diminished in the immediate

² Not printed.

future, and they themselves can hardly survive beyond the close of the present year. It is certain that any negotiations with the German Government will have a better chance of success if taken while the Commissions are in existence. Once they disappear I see little hope of any favourable solution.

The object of the present despatch is not to advocate any particular scheme. It is rather to draw attention to the lateness of the hour, and to suggest that the whole subject should be re-examined at once both in London and Paris, in the fullest and most unprejudicial manner.

I have, &c.,
D'ABERNON

ANNEX II TO NO. 815

Lord D'Abernon (Berlin) to Earl Curzon (Received June 14)

No. 817 [C 12327/13/18]

BERLIN, *June 10, 1921*

My Lord,

With reference to my despatch No. 789 of the 8th June, 1921,³ dealing with the possibility of control over German military preparations after the disappearance of the Disarmament Commission, I now have the honour to forward a memorandum drawn up by a writer who has special means of knowing the probable attitude of German political parties.

I have, &c.,
D'ABERNON

ENCLOSURE IN ANNEX II TO NO. 815

Memorandum

In view of the importance of the question of some form of permanent control over military preparations in Germany, the probable attitude of the German political parties to this question arises.

During the political struggles of the past two years, the Socialist parties have carried on a violent and unceasing propaganda in favour of disarmament, and have attempted, by revelations in the press, the use of an extensive espionage system and other methods, to assist the Disarmament Commission. Socialist leaders have frequently expressed, in personal interviews, their satisfaction at the existence of the Disarmament Commission, and regret that their powers were not even greater.

The intense fear of future military action by the reactionary parties was especially noticeable at the time of the Kapp revolution,⁴ and, although great progress in disarmament has since been made, hatred and suspicion of the future intentions of the Right parties has not diminished to any great extent. The experience of the past two years seems to show that the existence of Allied representatives in various parts of Germany does not decrease, but rather tends to increase, the influence of the Left parties.

³ Annex I.

⁴ In March, 1920. (See Vol. IX, Chap. II.)

It is therefore most probable that the Left parties, up to and including the Majority Socialists, would not oppose some form of permanent control in Germany.

The attitude of the Zentrum and Social Democratic parties is more doubtful, but here again the fear that the withdrawal of all *Entente* control would lead to increased reactionary activity might induce the majority to accept some form of control as the lesser of two evils.

The Nationalist parties and the Volkspartei would probably oppose the idea strongly.

ANNEX III TO No. 815

War Office to Foreign Office

Secret

WAR OFFICE, *July 13, 1921*

Sir,

In reply to Foreign Office letter dated the 6th July, 1921,⁵ relative to the control of the German army and of military preparations in Germany after the dissolution of the Inter-Allied Military Commission of Control now at work in Germany, I am commanded to say that the views of the Army Council are as follows:—

1. Some form of military control is necessary, and will probably have to continue for a number of years. Such control must be effective, but as inconspicuous and unostentatious as possible.

2. No definite period is fixed for the termination of control in Germany under the Treaty of Versailles, but the Germans have always assumed that it would be removed as soon as the military terms have been fully complied with.

3. On the 29th January, 1921, the Supreme Council came to the decision, with reference to aerial matters, 'that the Allied Governments shall assure themselves by constant supervision that Germany is fulfilling her obligations,' *i.e.*, that Germany shall accept the definitions established by the Allied Powers to distinguish civil aviation from military aviation, forbidden by article 198.

It is not known how it is proposed to carry out this constant supervision.

4. From this decision it appears that the Supreme Council consider that the Allied Governments are entitled under the Treaty of Versailles to carry out 'constant supervision,' *i.e.*, to continue supervision for a number (apparently indefinite) of years.

5. Article 213 of the treaty shows that the Allies originally, *i.e.*, in 1919, intended control and investigation (subsequent to the completion of the duties of the present Inter-Allied Commissions of Control now at work in Germany) to be carried out by the League of Nations.

It is now doubtful whether the authority of the League can be regarded as adequate, and in any case it is desirable that the work of control and investigation be carried out by Allied officers.

6. In view of these considerations, it is recommended that the Allied

⁵ See n. 7, below.

Governments should come to an agreement with the German Government to induce the League of Nations to depute the investigation permitted under article 213 to a commission of Allied officers. No doubt a *quid pro quo* would have to be given to Germany in return for this concession.

The commission would, of course, not come into existence until the present Commission of Control has completed its duties in Germany. It should be a small body, composed of a total of some twenty to thirty members, including technical experts. In suggesting a composition for this commission, the Army Council desire me to say that they adhere to their opinion already expressed in earlier letters on this subject that British naval, military and air attachés should be expressly excluded.

There is no need for the commission to sit permanently in Germany, and it is considered preferable for it either to be located in Paris, in close touch with the Allied Military Committee of Versailles, or, better still, for its members to remain in their own countries, employed on their ordinary work, until required to carry out any duties of investigation in Germany, which, it is hoped, will very rarely be necessary.

7. It is presumed (an opinion shared by Marshal Foch) that the Allied Governments, individually, will have at their disposal means of learning of any serious infraction of the military clauses of the treaty. Such infractions would at once be brought to the notice of the commission, with a view to the institution of an enquiry.

8. It will be necessary for the German Government to bind itself to permit and to give every facility for immediate investigation by the commission, as soon as investigation has been decided upon.

9. It remains to settle—and this is a matter for the Allied Governments—who should be empowered to order the investigation. The machinery for this must be simple and rapid.

It is recommended that the power to order an investigation, on application by one or more of the Allied Powers, should be vested in the Council of Ambassadors in Paris, on the recommendation of an Allied Military Committee such as that now functioning in Paris, under the presidency of Marshal Foch.

I am, &c.,
B. B. CUBITT⁶

ANNEX IV TO No. 815
Air Ministry to Foreign Office

AIR MINISTRY, July 14, 1921

Sir,

I am commanded by the Air Council to acknowledge the receipt of Mr. Tufton's letter of the 7th [6th] instant,⁷ enclosing copies of two recent

⁶ Principal Assistant Secretary at the War Office.

⁷ This letter, which was sent *mutatis mutandis* to the War Office, Air Ministry, and Admiralty, enclosed copies of Lord D'Abernon's despatches No. 789 and 817 [Annexes I

despatches from Lord D'Abernon, relative to the question of the future supervision of military preparations in Germany, and in reply to convey to you the following observations thereon for the consideration of the Secretary of State for Foreign Affairs.

2. The Council agree with the view expressed by Lord D'Abernon as regards the disadvantages, in the actual position of the League of Nations, of placing too much stress on the possibilities of article 213 of the Treaty of Versailles being of sufficient efficacy to secure the observation of any steps by the German Government in the direction of rearmament. Whatever may be the future value of that article, it is clear that at present any Power (such as France or ourselves), which has a strong interest in keeping itself fully and early informed of any attempts on the part of Germany towards rearmament, beyond what is allowed under the Peace Treaty, will require to provide itself with its own machinery for such supervision as is necessary.

3. On the question, however, of the method by which the necessary supervision can be obtained, the Air Council adhere to the opinion which they have previously expressed, and which was reiterated in their letter to the Foreign Office on the 20th ultimo.⁸ Their view, in brief, is that a standing Commission of Control as proposed by the French will be a constant source of friction with Germany, and would be no more likely to achieve its purpose than would the reliance on the ordinary sources of intelligence which the Air Council propose. It appears, however, to the Air Council that the German Government, having intimated their intention to accept the distinguishing rules, can reasonably be asked as evidence of the good faith of that acceptance to offer facilities for full investigation in Germany by officers of the Allied countries appointed for the particular occasion in the event of any case of infringement of the distinguishing rules being alleged.

4. The Air Council take note of the suggestion contained in the memorandum enclosed with Lord D'Abernon's despatch No. 817,⁹ that the parties of the Left would not oppose some form of permanent control in Germany, in view of the attitude which they have adopted to the existing Disarmament Commissions. On this point the Air Council venture to suggest that such acquiescence as may have been enjoyed by the present Disarmament Commissions is not likely to extend beyond the time when the surrender of war stocks has been completed. The existence of these stocks, as the Air Council

and II] and stated: 'Lord Curzon would be glad to receive as soon as possible any observations and suggestions which the . . . Minister may wish to make thereon in order that the matter can be discussed by the Cabinet in time for further consideration by the Supreme Council at its next meeting.'

⁸ This letter transmitted a further copy of the Air Ministry memorandum of June 16 (see No. 804, n. 4) and stated that in the opinion of the Air Council 'German air power, as represented by the organisation and material of the late war', no longer existed. The acceptance by the German Government 'of the conditions and regulations laid down by the Allied Governments for the distinction of civil aeronautics from military aeronautics' could not 'in any way be regarded as implying the acceptance of a permanent Commission of Control'.

⁹ Annex II.

understand the position, has been regarded by the parties of the Left as adding to the possibilities of a militarist counter-revolution. When, however, disarmament is completed, any advantages in the way of insurance against rearmament, which from the point of view of the parties of the Left might be afforded by the existence of permanent Commissions of Control in Germany, would not outweigh the irritation in the country generally, and the occasion for unfortunate incidents which would be created.

I am, &c.,
W. F. NICHOLSON¹⁰

ANNEX V TO No. 815

Admiralty to Foreign Office

ADMIRALTY, July 19, 1921

Sir,

With reference to your letter of the 6th July,¹¹ regarding the future of control over military preparations in Germany, I am commanded by my Lords Commissioners of the Admiralty to acquaint you, for the information of the Secretary of State for Foreign Affairs, that they have always understood that the intention of article 213 of the Treaty of Peace was to give the League of Nations an opportunity of investigating suspicious cases and not of establishing a permanent and irksome system of control in Germany.

2. The Commissions of Control instituted under the Peace Treaty cease to function when a certain state of disarmament has been reached by Germany. After this date the Allied Powers must, in the opinion of their Lordships, rely upon their own watchfulness to prevent a breach of the disarmament clauses. In this connection it is extremely undesirable to use attachés for espionage work.

3. As far as the navy is concerned, it would not be long before the Admiralty heard from one source or another of the construction of a battleship or a submarine. When such news was received, the organisation already devised under article 213 would be brought into play. (See Cabinet Minutes 62 (20) of the 18th November, 1920.)¹²

4. It is recognised that military investigation is a more difficult question, but it is thought that the French can be relied upon to prevent any dangerous progress being made. Once a breach of faith is established, the League of Nations can be invited to act; but it is unfair to the League, and contrary to the aims of the League, to put them in the position of permanent guardians of Germany's good faith in direct succession to the Commissions of Control, whose functions, moreover, has [*sic*] been the enforcement of measures against Germany.

I am, &c.,
ALEXANDER FLINT¹³

¹⁰ Secretary at the Air Ministry.

¹¹ See n. 5.

¹² Not printed.

¹³ A Principal Clerk at the Admiralty.

No. 816

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received July 29, 10.15 a.m.)

No. 542 Telegraphic: by bag [Confidential/General/199/3]

PARIS, July 27, 1921

The Conference of Ambassadors met this morning under the chairmanship of M. Jules Cambon, and considered the following questions:—

1. In view of Your Lordship's despatch No. 1990,¹ and of Mr. Robertson's telegram No. 81,² I proposed to the Conference that in the draft note to the German Government regarding the appointment of Prince Hatsfeld [*sic*] as German Commissioner for the Rhineland (see my telegram No. 504, section 5 of July 20th),³ the demand for the surrender of the culprits and the punishment of the officials responsible for the issue of secret circulars should be reduced to a mere undertaking to be given by the German Government to hand over the culprits as soon as possible and to proceed with the prosecution of the authors of the circulars. This was agreed to. The note as amended will be addressed at once to the German Ambassador. Copy of the note is enclosed in my despatch No. 2154⁴ of to-day's date, and is also being forwarded to Mr. Robertson. . . .⁵

¹ No. 812.

² No. 814.

³ No. 813.

⁴ Not printed.

⁵ The sections omitted referred to other matters.

No. 817

The Marquess Curzon of Kedleston to Mr. Phipps¹ (Brussels)

No. 108 Telegraphic [C 15453/289/18]

FOREIGN OFFICE, July 29, 1921, 4.15 p.m.

Board of Trade learn that Red Star Line have been offered emigration licenses [*sic*] by Germany on terms which include certain objectionable features, which gave rise to mention of matter in allied ultimatum of May 5th² and which His Majesty's Government certainly would not accept.

Please urge Belgian Government to discourage Belgian lines from acceptance of German licenses independently of a common allied decision as otherwise the whole position with regard to emigration licenses may be prejudiced.

¹ Counsellor in H.M. Embassy at Brussels and Chargé d'Affaires, July 25–September 1 during the absence of Sir G. Grahame.

² See No. 774, n. 2.

No. 818

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received July 31)

No. 553 *Telegraphic: by bag* [Confidential/General/199/3]

PARIS, July 30, 1921

The Conference of Ambassadors met this morning under the Chairmanship of M. Jules Cambon and considered the following questions. The Belgian Ambassador was also present. . . .¹

2. The Allied Military Committee of Versailles submitted a report (copy of which is enclosed in my despatch No. 2157 of to-day's date)² on the proposal of the United States Government that the German Government should construct a military zeppelin for the United States Government in compensation for the seppelins [*sic*] illegally destroyed in 1919 (see Sir M. Cheetham's telegram No. 504, paragraph 1, of July 20th).³ The Allied Military Committee of Versailles rejects the proposal of the United States Government on technical grounds, but leaves it to the Conference to decide whether, for political reasons, it is desirable to make an exception in favour of the United States to the general rule against the manufacture of military aircraft in Germany. I asked that the question might be adjourned as I was still without the view of His Majesty's Government on the subject. I understand that the Air Ministry are considering the question, which is one of considerable importance.⁴ The following considerations should be borne in mind:—

(a) The Japanese Government are naturally strongly opposed to the acquisition by the United States Government of a powerful military zeppelin.

(b) Its construction would afford an excuse to the French Government to maintain, during the long period of its construction, the Aeronautical Commission of Control, which His Majesty's Government wishes to see wound up as soon as possible.

(c) The concession to the United States Government would give rise to further requests of the same nature, more particularly from the Japanese Government, which could hardly be refused. This would involve still further delay in the winding up of the Commission of Control. . . .¹

¹ The sections omitted referred to other matters.

² Not printed.

³ This paragraph is not printed. See No. 813.

⁴ In a letter of August 4 to Lord Curzon, the Air Ministry stated that so far as purely air interests were concerned they did not 'regard the question as one of the first importance'.

No. 819

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received August 8)

No. 987 [C 15940/47/18]

BERLIN, August 1, 1921

My Lord,

I have the honour to inform your Lordship that the reports received by the Military Inter-Allied Commission of Control from East Prussia show that the

work of control there is now running smoothly and is in fact easier than it has ever been to carry out. It is stated that having lost the bulk of their arms, the Germans are anxious to satisfy outstanding demands as soon as possible in order to put an end to the control.

The surrender of the arms of the Bavarian Einwohnerwehr is declared by the local Bavarian authorities to be complete. The following table shows the surrenders of arms as compared with the numbers reported to the Munich Committee of the Inter-Allied Commission of Control in April last:—

—	<i>Surrendered and controlled</i>	<i>Reported to Committee</i>
Guns	44	44
Minenwerfer	34	34
Machine guns	2654	2780
Rifles and carbines	169952	248444

The disarmament of the Selbstschutz in Lower Silesia is reported by the local Committee to have been well done prior to May 1921. It is estimated that the number of rifles and carbines among the approximate 20,000 men under General Höfer in Upper Silesia recently was one weapon to two or three men, and in order to attain this moderate scale of armament it was necessary to raid the depots in Lower Silesia. It appears that practically all the Selbstschutz armament was left behind in Upper Silesia and it will be necessary to await the reports of the surrenders to the Plebiscite Commission before estimating the extent of the disarmament of the Silesian Selbstschutz.

I have, &c.,
D'ABERNON

No. 820

*Mr. Robertson (Coblenz) to the Marquess Curzon of Kedleston
(Received August 4, 11.35 a.m.)*

No. 83 Telegraphic [C 15751/15264/18]

COBLENZ, August 3, 1921, 11.50 a.m.

I suggest that question of strength of allied forces of occupation on the Rhine be considered by Supreme Council if possible. Matter is urgent.

Former British occupied area and large part of Belgian area is now occupied with considerable numbers of French troops. This involves occupation of schools and other unnecessary hardships on inhabitants besides important expenditure on construction of fresh accommodation, stabling, waterworks etc., which are not needed unless French forces are to remain permanently in British area. As Germany is now practically disarmed the moment has come for consideration of serious reduction in forces of occupation. Apart from other considerations the larger these forces are, the greater the multiplication of incidents with which it is difficult to deal owing to contradictory

evidence. As armies of occupation can be easily reinforced I should have thought 70,000 men were more than enough for the whole area.¹

¹ Mr. Robertson's suggestion was communicated to the War Office, who replied in a letter of August 4, not printed. In a minute to this letter, dated August 5, which was initialled by Sir E. Crowe and Lord Curzon, Mr. Wigram stated: 'The War Office view of Mr. Robertson's suggestion amounts to this—1. they cannot advise the evacuation of the French troops from the British area until the return of the British troops from Silesia. 2. 8 battalions is at present the minimum British force necessary to preserve order in the British area. 3. the question of a general reduction of the allied forces in occupied territory is a matter of policy on which the War Office refuse to advise.' Mr. Wigram concluded: 'The most practical thing we can do in any way to give effect to Mr. Robertson's suggestion, seems to be to back up, at the Supreme Council if necessary, the attempt, which the Chancellor of the Exchequer is to make at the Conference of Finance Ministers, to get the total costs of all the allied armies of occupation limited to 240 million gold marks per annum. This must do something to keep the numbers down.'

No. 821

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received August 9, 4 p.m.)

No. 584 Telegraphic [C 16138/47/18]

PARIS, August 9, 1921, 1.30 p.m.

My telegram 553. Paragraph 2.¹

It is probable that at meeting of Council of Ambassadors on twelfth instant proposed construction of a large military airship in Germany for United States Government will again be considered.

I should be glad of early instructions therefore as to how to proceed.

So far Japanese Ambassador has not expressed any opinion, but it is to be expected that he will openly oppose the proposal if he sees that there is a likelihood of Conference accepting it. Should I support my Japanese colleague in this attitude, if French and Italians are prepared to accede to United States Government's request? Also what should my attitude be if Japanese Ambassador agrees to United States Government's request on condition that Japanese Government are likewise authorised to obtain a similar military airship from Germany?

¹ No. 818.

No. 822

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received August 16)

No. 1034 [C 16496/416/18]

My Lord Marquess,

BERLIN, August 11, 1921

I have the honour to inform you that reports received from British Officers on the Inter-Allied Military Commission of Control indicate an improvement

in the attitude of German liaison and other officers with whom they have official contact. This improvement dates from the acceptance of the ultimatum by the German Government. It is thought that it is largely due to instructions which have been issued from the Ministry of War, where it appears to be felt that the acceptance of the ultimatum was Germany's best policy, not only because thereby the situation became defined and further punitive measures by the Entente were avoided, but also because the sooner the Allied demands are satisfied the sooner Germany will be rid of Control and be able to settle down to reconstruction, including that of the Army. An officer of the Ministry of War recently remarked in conversation with a British Officer that the General Staff really felt that the situation was saved by the acceptance of the ultimatum and that Dr. Simons did his worst day's work when he refused to accept the London terms.

On the other hand the enclosed report¹ on an interview between General Nollet and Dr. Wirth, shows that the former is not so satisfied with the German attitude, and considers there is still systematic obstruction to the work of the Control Commission on the part of the German Government.

I have, &c.,

(For the Ambassador)

KILMARNOCK

¹ Not printed.

No. 823

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received August 18)

No. 614 Telegraphic: by bag [C 16600/47/18]

PARIS, August 17, 1921

The Conference of Ambassadors met this morning under the Chairmanship of M. Jules Cambon and considered the following questions:— . . .¹

10. The Conference again had before it a request of the United States Government to obtain from Germany, by way of compensation for the destroyed zeppelins, a dirigible of 100,000 cubic metres (see my telegram No. 553 of July 30th, section 2).² M. Fromageot gave a legal opinion against this proposal on the following grounds:—

(a) The proposed compensation far exceeded in value anything that the United States Government could reasonably claim in compensation for the destroyed zeppelins, supposing that the United States Government, not having ratified the treaty of Versailles, were entitled to such compensation.

(b) The construction of a zeppelin of this size by Germany was contrary to the recent decision³ limiting the construction of zeppelins by Germany to

¹ The sections omitted referred to other matters.

² No. 818.

³ See No. 804. The ruling was contained in Section B, 'Dirigibles', of the regulation adopted by the Conference of Ambassadors on June 8.

a maximum of 30,000 cubic metres, as well as to the formal provision of the Treaty of Versailles prohibiting export.

The Italian Ambassador urged political considerations as a reason for acceding to the wishes of the United States Government, but as my French and Japanese colleagues, as well as myself, opposed the proposal, it was not pressed.

I should add, however, that the opposition of the French and Japanese appeared somewhat lukewarm, and that the French in particular (though I have reason to believe that at heart they are strongly opposed to the proposal) did all in their power to make it appear that the principal obstacle was the attitude of His Majesty's Government.

The United States Ambassador then put forward a new request for the construction of a dirigible of 70,000 cubic metres. This proposal, after some discussion, was referred to the Allied Military Committee of Versailles, and I presume that the British representatives will receive instructions from the Air Ministry as to the attitude which they should adopt towards the new proposal. I should also be glad to receive instructions from Your Lordship, as the matter will in any case have to come once more before the Conference of Ambassadors.⁴

⁴ For American documents relating to this question, see *F.R.U.S.*, 1921, vol. ii, pp. 58-70.

No. 824

The Marquess Curzon of Kedleston to Lord D'Abernon (Berlin)

No. 841 [C 16496/416/18]

My Lord,

FOREIGN OFFICE, August 22, 1921

I presume that incidents such as those mentioned in the description of an interview between General Nollet and Dr. Wirth, which is enclosed in Your Excellency's despatch No. 1034 of the 11th instant,¹ are due almost entirely to the obstruction of subordinate officials and are devoid of real military importance. At the same time they tend to produce precisely that effect which the German Government profess to be so anxious to avoid, and they provide an excuse for the continued maintenance of punitive measures and of the system of control.

2. I would suggest that Your Excellency should take an opportunity to point this out to the Minister of Foreign Affairs, adding that, if the German Government expect His Majesty's Government to recommend to their allies the abolition of the military sanction and the early reduction and eventual dissolution of the commissions of control, it is incumbent upon them to take strong measures to make all their officials understand that the May ultimatum must be executed in its entirety without further delay.

I am, &c.,

(For the Secretary of State)

S. P. WATERLOW

¹ No. 822.

*Mr. Addison (Berlin) to the Marquess Curzon of Kedleston
(Received September 6)*

No. 1110 [C 17651/416/18]

BERLIN, September 3, 1921

My Lord,

The telegrams which I have had the honour to address to your Lordship for the purpose of acquainting you with the situation, as it develops, both in regard to the movement to which impetus was given by the murder of Herr Erzberger¹ and in respect of the constitutional question raised by the action of the Bavarian Government, will have shown that, after taking up an uncompromising position, the Bavarian Government have suddenly adopted a conciliatory attitude and evince a desire to fall in with the wishes of the Central Government.

The firm attitude adopted by the Chancellor and the obvious fact that he is supported in his policy by the vast majority of law-abiding Germans, are no doubt the main factors which are inducing the Bavarian Government not to push matters to a conclusion; but there are other equally important considerations which make it inexpedient for Bavaria to separate, or to attempt to separate, from the Reich, to which it may not be without interest to call your Lordship's attention. His Majesty's Consul-General at Munich is, of course, in a better position than myself to acquaint you with the local conditions and opinions which determine the actions of the Bavarian Government, but viewed from Berlin, it appears to me that the following considerations cannot fail to influence the policy of Bavaria in relation to the connection of that State with the other States of Germany and with the Central Government.

It cannot, I think, be questioned that the Bavarian Prime Minister and the Bavarian Government are largely under the influence of General Ludendorff and the German militarist party, whose aim it would appear to be to use Bavaria—as being the most suitable ground for their purpose—both as a preserve of their conceptions and as a starting point from which to develop their action throughout the Reich. The conservative and independent character and the separatist tendencies of the Bavarians are thus regarded by this party as constituting means to an end which would not be attained by allowing this character and these tendencies to attain their logical conclusion. Supposing it were feasible for Bavaria to proclaim its independence from the Reich and to constitute itself as an independent State, the result might well be that the rest of Germany would be closed to the influence of Bavarian ideals, and such a *cordon sanitaire* would not serve the purposes of those who aim at bigger results.

A separation would also probably be viewed with the greatest disfavour by the Catholic Party—which, with its voting strength of 3,500,000 of electors

¹ See No. 679.

and the possession of the most efficient, single-minded and compact organisation, is at the present time one of the greatest powers in the land—for it is clear that the loss of 6,000,000 adherents would greatly diminish its influence in the Reich. In the end, therefore, it is to be presumed that the great weight and authority of the Catholic Church will always be exerted to maintain Bavaria within the framework of the German Federal State. Finally it is to be observed that Bavaria could hardly exist in independence, since she relies on the rest of Germany for her supplies of raw materials and in particular for her supplies of coal. The position might have been different and the separatist tendency might lead to independence were the Austro-Hungarian monarchy still in existence in its entirety, but since it is now impossible for Bavaria to attach herself to Austria, with which she had many sympathies, the only course that remains open to her, after she shall have weighed the disadvantages and even the impossibility of complete independence, is to remain within the federation of States to which she now belongs. It would, therefore, seem that, whatever may be the strength of separatist tendencies in Bavaria, common sense and the inevitable logic of the situation will, in the long run, whatever the temporary friction, compel the Bavarian Government to refrain from a decisive rupture with the Government of the Reich.

I have, &c.,
JOSEPH ADDISON

No. 826

The United States Ambassador to the Marquess Curzon of Kedleston
(Received September 24)

No. 203 [C 18571/47/18]

LONDON, September 22, 1921

The American Ambassador presents his compliments to His Majesty's Secretary of State for Foreign Affairs, and with reference to previous conversations between Mr. Waterlow, of His Majesty's Foreign Office, and officials of this Embassy, relative to the desire of the Government of the United States to participate in reparations in kind to be made by Germany in compensation for dirigible airships destroyed in violation of the Armistice Agreement, has the honour, pursuant to instructions from his Government,¹ to communicate to Lord Curzon the desire of the Government of the United States to secure its fair share of this reparation in kind as hereinafter set forth.

When, notwithstanding the fact that the right of the Government of the United States thus to participate was recognized by the Allied Governments,² the Council of Ambassadors rejected the request for authorisation for the construction in Germany of a dirigible of 100,000-meter capacity for delivery to the United States,³ the American Ambassador in Paris was directed to offer, as a compromise, the acceptance by the Government of the United

¹ See *F.R.U.S.*, 1921, vol. ii, pp. 60–62.

² See No. 775.

³ See No. 823.

States of a somewhat smaller airship approximately the type of the L-70, such as have already been delivered to the Governments of Great Britain and of France. The Government of the United States is now informed, however, that the Allied Military Committee of Versailles has rendered a report unfavorable to this new request, but that the matter will be finally considered at the next meeting of the Conference of Ambassadors.⁴

As it is still the urgent desire of the Government of the United States to secure its fair share of this reparation in kind, Mr. Harvey, on behalf of his Government, would appreciate it if assurances might be received from His Majesty's Government that, prior to the next meeting of the Conference of Ambassadors, His Majesty's representative thereat will be given specific instructions to support the request of the Government of the United States.

In this connection it may be observed that, as already mentioned, the Governments of Great Britain and of France have both received a ship of this type in accordance with the action of the Supreme Council on September 29, 1919; that the Minutes of that meeting appear to indicate the willingness of the Supreme Council to allocate such a dirigible to the United States, and that it would seem that, by common understanding, the Government of the United States should be entitled to participate in this distribution upon the same basis as the Allied Governments.⁵ Furthermore, the Government of the United States has organized and still maintains a large airship personnel, created in anticipation of receiving from His Majesty's Government the airship ZR-2 (R-38), and, for the same reason, has invested heavily in gas plants and airship sheds. In view of the circumstances arising from the deplorable loss of that airship,⁶ with so many of its gallant personnel, it would appear not unreasonable to anticipate the support of His Majesty's Government to the present desire of the United States. Mr. Harvey ventures further to add that his Government has already been assured that instructions have been given to the Italian representative on the Council of Ambassadors to support the claim of the United States at the next meeting of the Council.

In thus conveying to Lord Curzon an expression of the interest which the Government of the United States manifests in this matter, Mr. Harvey feels confident that the general principles of policy and political consideration which underlie the question will at once appeal to His Majesty's Government rather than those principles of a technical or juridical nature upon which the opposition of the Allied Military Committee appears to be based, and he therefore indulges the confident belief that the desirability of dealing with the matter in this spirit will be immediately apparent to His Majesty's Government.

⁴ In his despatch No. 2443 of August 31, not printed, Lord Hardinge transmitted a copy of a Note of August 26 from Marshal Foch, President of the Allied Military Committee of Versailles, to the Conference of Ambassadors in which it was proposed that Germany should build for the U.S.A. two dirigibles of the smaller type (30,000 cubic metres).

⁵ See Vol. I, No. 67, n. 4.

⁶ The R. 38, which was being delivered by the British Air Ministry to the United States Government, crashed into the Humber on August 24, 1921, with the loss of 44 lives. See *The Times*, August 25, p. 8.

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received October 4)

No. 1184 [C 19107/416/18]

BERLIN, September 30, 1921

My Lord,

I have the honour to submit for your Lordship's consideration a general memorandum on the position of Germany to-day as compared with a year ago.

This memorandum does not claim to be an exhaustive statement, and I have endeavoured to keep it as far as possible free from figures and statistics. The object has been to give a brief general review of the main changes which have occurred in the conditions prevailing in Germany during the last twelve months.

I have, &c.,
D'ABERNON

ENCLOSURE IN NO. 827

Memorandum on the Position of Germany compared with a Year ago

BERLIN, September 30, 1921

The present appears a convenient moment to review the general position in Germany, and no better criterion can be taken than to compare the position to-day with that of a year ago. The result of this comparison will certainly be favourable in most particulars, although it cannot yet be said that Germany is safely over her financial and economic difficulties. I propose to examine the position under various main headings, notably:—

- Public order;
- Administration;
- Industrial activity;
- Condition of the population, particularly as regards nourishment and clothing;
- Political tendencies;
- Financial prospects;
- Military danger.

1. *As regards Public Order*

The principal change compared with 1920 is the marked diminution of the Communist danger. There appears to be little doubt—in my opinion there is no doubt—that if Warsaw had fallen to the Bolsheviks in August 1920 there would have been Communistic outbreaks in many of the large manufacturing towns in Germany as well as in Danzig, Munich and Berlin. There is abundant evidence that the Soviet had arranged with their representatives and agents throughout Germany to bring about a public disturbance as soon as the news of the fall of Warsaw was received. How far the forces of order,

hampered as they would then have been by the extreme Nationalists, would have been able to repress these risings is doubtful. The whole position throughout Germany would unquestionably have been critical. To-day conditions are so different that one can hardly believe that only a year ago the danger was as grave as I have depicted it. The failure of Communism in Russia, the failure of partial and immature Communistic outbreaks in different parts of Germany during 1920 and 1921 have combined to deter the German working-classes from Communistic experiments. There has been a large reduction of the Communistic vote, and no general danger to public order is to be feared from any Communistic agitation, although, of course, there may be isolated acts of violence and individual assassinations. Such Communistic risings as have occurred in 1921 may be attributed mainly to Soviet initiative, and to the network of Sovietic propaganda which covers Germany.

It is thought by many that the reduction of danger from the Extreme Left is balanced by an increase of danger from the Extreme Right, but in my judgment this view is hardly correct. There seems to-day less chance of any successful 'Putsch' from the Right than at any time since the armistice. Dr. Wirth has undoubtedly shown both courage and vigour in maintaining public order. He has made it clearly understood that the Government of the Reich will not hesitate to act with vigour if the occasion arises, or if the safety of the State is menaced. He may have made many personal enemies by the clearness of his declarations and the vigour of his attitude, but if his individual position has suffered, and if his life is menaced, the safety of the State has gained.

2. Administration

Improvement of the administration has not followed as quickly as might be wished. There is still a large excess of officials, and hardly any single Minister can be pointed to who has shown zeal in bringing his staff down to the economic level. In the Railway and Postal Departments large deficits are still the order of the day, and receipts are far from being adequate to balance expenditure.

I do not think that any legitimate complaint can be made as to an excessive standard of individual salaries. As the value of the mark has diminished, salaries measured in marks have had to be increased, but the increase has not been commensurate with the mark's decline in purchasing power. I am, therefore, not disposed to quarrel with the statement recently made by the Chancellor that the fall in the value of the mark, since the budget was framed, will render necessary an increase of 10,000,000 marks in State expenditure on salaries. Extravagance proceeds rather from excessive numbers than from excessive individual pay. In certain cases the latter is inadequate.

As regards the collection of the revenue, improvement has been slow. It was probably a mistake to endeavour to reorganise the revenue administration completely at the moment that an entirely new system of taxation was introduced.

3. *Industrial Activity*

Under this head very marked progress has been achieved, notwithstanding the fact that there has been a world crisis in industry and commerce since 1920. The majority of German trades are in a more satisfactory position than a year ago. There is probably less unemployment here than in any large industrial community in the world. The workers appear to have settled down to steady production, and to be working relatively well, although the output per working day is less than before the war. There would appear, however, to be some improvement in this matter, and the project is seriously discussed of abandoning the limitation of the eight-hour day or of evading it by a plentiful use of piece-work and piece-work rates.

The position as regards nourishment and clothing has also improved to a very marked extent. The supply of food is much better, and one hears no complaints now of difficulty in obtaining adequate nourishment. The appearance of children has improved in a notable degree. It remains, nevertheless, true that, compared with pre-war, the consumption of articles of luxury and semi-luxury has fallen off, as is shown in the following table:—

(Figures are given per head of population.)

—	1913	1920	Decrease Per cent.
Sugar kilog.	18	14	22
Coffee and Tea „	2·4	0·8	66
Tobacco „	1	0·8	20
Beer litres	100	42	58
Wine „	43	33	23
Spirits „	10	2	80

From the fact that consumption of luxuries has now diminished, it does not, however, follow that public health will thereby be endangered, or that the capacity for output of the working population will be diminished. The ability of the German population to submit cheerfully to so large a reduction of their pre-war standard of enjoyment is probably due to the fact that during the war they were reduced to a much lower level. They compare, therefore, their present condition with that in which they lived during the war, and are not dissatisfied with the change. The severe privations of the war period, regarded as preliminary training, must indeed have given the German population a distinct advantage as competitors with the populations of countries where nourishment and the consumption of luxuries were maintained among the working-classes throughout the war at approximately a pre-war standard. In England the population probably to-day expects at least as much nourishment and as much enjoyment as fell to their lot in the pre-war period. They will be seriously disturbed if these are not forthcoming. The German working-man, on the other hand, will be amply satisfied if he obtains 75 per cent. of his pre-war allowance of semi-luxuries. Assuming that this reduction does not diminish efficiency, it is clear that on this count alone competition with Germany in the neutral market has become even

more difficult than before. But other causes are in operation, and further contribute to render competition with German production abnormally difficult. The various subventions granted by the Government, the effect of which is to cheapen production, may be cited among the reasons which enable Germany to underbid all competitors. Coal is made available to producers below cost price in England; bread has been sold considerably below its open market price; railway transport is offered below working costs. In many other directions the same tendency is observable. The German budget suffers in order to enable German commerce and industry to prevail.

4. *General Condition of the Population*

I have already stated that as regards nourishment and clothing a considerable amelioration is to be observed, not only in Berlin but throughout the country. Excepting that few soldiers and practically no officers are seen in the streets, the general appearance of the city does not seem to be much different from before the war. The police look smart and appear efficient, if perhaps rather too military. Judging by the eye alone, one would not suspect so great a reduction of consuming capacity as is proved by the figures regarding beer, tobacco, &c. The working-class appears fairly well off, the children look healthy, places of amusement are crowded, there is a large amount of betting at the races, and enormous crowds attend the bigger meetings. On occasions like the automobile show, which has just been held in Berlin, the public attendance is immense, and the same remark applies to the inauguration of the automobile racing track, which drew immense numbers from all over Germany to the Grönewald last Sunday. But while the majority is prosperous, or fairly so, there is a considerable minority which suffers. Severe privation is felt among certain classes, notably ex-officers, professors, and in a minor degree among all those who live upon fixed incomes and whose resources have not risen proportionately to the rise in the cost of living. Ex-officers of the army have been driven to take up every kind of new employment—insurance agencies, minor positions of trust in banks and commercial institutions, and, not infrequently, quasi-menial posts. But, whatever emoluments they may derive from these pursuits, these cannot well have reconciled them to the disagreeable loss of status and authority. They remain discontented, and will continue for many years a potential source of danger. This menace, however, like that which proceeds from the extreme Left, is certainly less to-day than it was a year ago, and if a wise policy is followed by the *Entente*, it may without undue optimism be esteemed a gradually diminishing danger.

5. *Political Tendencies*

It has been the habit here throughout the year to say that the Right was constantly gaining strength, and that there was an increasing danger of a return to monarchical or extreme nationalistic views. For myself, I have never seen much proof that this tendency existed, and recent developments

strengthen the opinion that its alleged existence was imaginary. Since May 1921, when Dr. Wirth came into office, and made an open declaration in favour of the policy of acceptance of the Ultimatum, public opinion has slowly, and almost silently, grouped itself behind this policy. The proof that this is so may be found in the fact that the Volkspartei, which is, so to speak, second from the Right, and whose heart is even more to the Right than their [*sic*] public declarations, have now thought it expedient to coalesce not with the extreme Right, which was their secret affinity, but with the parties next [to] them towards the Centre, thus constituting a solid majority in favour of the acceptance policy. Similarly the Majority Socialists, who are either second or third from the Left, have also coalesced towards the Centre, instead of seeking support from those more extreme than themselves.

The adherence of the Volkspartei to the Central Government Coalition has great importance from a taxation standpoint. This party contains the largest industrial fortunes and the largest commercial organisations. If the Volkspartei shares Government responsibility it will be more difficult than now for its industrial supporters to resist contributing their share to the necessary taxation.

The groups who still oppose the acceptance of the Ultimatum policy are thus reduced to slender proportions. On the Right there is the National Party, on the Left there are the Communists. The Independent Socialists, though not in the Government, are yet in favour of an endeavour being made to carry out the conditions of the Ultimatum. There remain the Communists, but their agreement with the Nationalists as to non-fulfilment, though it may be welcome at moments when disorder is desired, can hardly be considered a permanent asset for a Monarchist organisation.

As regards external politics, the result of the last year has been a considerable aggravation of the hostility felt here against France, and an even greater reduction of the hostility felt towards England. Indeed so far as the surface of things is concerned, one could not desire anything more friendly than the attitude of the official and commercial classes towards English interests. This attitude may be superficial, and may be temporary, but I doubt whether—except on the extreme Right—the real feeling is essentially more hostile than it appears on the surface. As to its duration, that depends in a large measure on British policy.

The essential reason for this change of opinion in Germany is the conviction that England has adopted a broad and reasonable attitude regarding reparation, and regarding the whole problem of Germany's recovery. Our action regarding Upper Silesia has been noted with particular gratitude, and it is generally admitted that if the Ruhr is not to-day occupied by French troops it is to English influence that this result should be attributed. Outside these causes, which are mainly responsible for the change, minor considerations have had some weight. In a speech by Dr. Simons, the late Minister for Foreign Affairs, the other day, he is reported to have said: 'Germany has no longer any fleet and no colonies, therefore all causes of rivalry with England have disappeared. On the other hand, the militaristic danger from France

must remain a menace and a danger. Apart from this the English have shown that they are disposed to view without alarm, and indeed with friendliness, the restoration of Germany's commercial and economic position. The French have shown themselves jealous and critical. The best chance for Germany appears to be to act in co-operation with the great Anglo-Saxon communities, England and America, and to endeavour to regain her prosperity by regenerating Russia in conjunction with these countries.'

Leaving aside relations with the great Western Powers, the views held in Germany regarding the smaller European States are of less importance. Italy she regards without resentment, but without respect. Her immediate neighbours on the east and on the south she regards as of small account. The Germans have always had a great contempt and dislike for the Poles, and their feelings for Jugoslavs, Czechoslovaks and Austrians, though less pronounced than those held regarding Poland, are not essentially dissimilar.

Regarding Russia they nourish vast hopes, anticipating that Germany's economic recovery is more likely to come from this quarter than from any other. They recognise, however, that they cannot hope to be successful in Russia without English support and English political prestige.

As regards Central Asia and Asia Minor, Germany appears to have abandoned—at any rate for the present—her ambition to play an important part in these countries. She feels that activity there might lead to jealousy and suspicion in England, and the task of gaining England's confidence is now the dominant preoccupation in Government circles.

Regarding their Allies during the war, it cannot be said that the Germans either like them better or respect them more than their former enemies. Their disposition to worship force leads them to admire a victorious enemy rather than a companion in defeat.

The bitterness felt against France is rather the result of post-Armistice bullying and blundering than of defeat in the war. At the time of the Armistice there was little or no bitterness against France, but a deep resentment against England, mainly due to the hardship caused by the blockade. To-day the positions are completely reversed.

German feelings towards America are distinctly cordial. They are inspired to some extent by a certain similarity of out-look as regards finance, and by the fact that America has taken little part in measures of compulsion under the Treaty of Versailles, but more by a lively sense of favours to come. I regard a close association of Germany with the United States as an important factor in the near political future.

6. *Financial Prospects*

It is difficult to make any confident forecast regarding Germany's financial future. She has been hovering on the brink of bankruptcy for the last eighteen months, and it is still doubtful whether there is justification for confidence that her creditors will receive 20s. in the £. The principal result of the various conferences in Brussels, Paris and London¹ was to reduce the

¹ See Vol. XV, Chaps. I, II, IV, and VI.

figure of reparation due by Germany to the *Entente* to a more moderate figure than had previously been contemplated, but it remains to be seen whether a further reduction will not have to be made at a later stage. Germany has, however, achieved this during the last six months; it is now generally admitted that the German Government is sincere in the endeavour to meet its financial obligations towards the *Entente*. The change of opinion here indicated is not only a considerable moral gain, but establishes a more favourable basis for future negotiations.

On the positive and material side the great achievement of the Wirth Government in paying 50,000,000*l.* on August 31, 1921, deserves special mention. Unfortunately, by her efforts to obtain the necessary amount of gold to pay reparation, Germany has seriously disturbed her internal finance. The mark has fallen from 240 to the £ to 460, thus disturbing the standard of value in the country to such a degree that a fresh revision of salaries and wages is almost inevitable.

It has been suggested that the depreciation of the mark has been brought about deliberately and that Germany is making out her situation to be worse than it really is. I see no reason to suspect bad faith in this matter or a calculated intention to deceive, certainly not on the part of the present Government. Whether the management of her finances has been skilful, whether sufficient attention has been paid to the paramount necessity of curtailing the issue of notes and of curing inflation may be more doubtful, and it may also be asked whether the taxation system has been developed with a requisite vigour, skill and intelligence, particularly the system of indirect taxation. I do not propose in the present memorandum to treat the financial position in detail. The problem is too complicated and too obscure to be dealt with summarily. All I would say here is that the course of international negotiations respecting reparation during the last twelve months has been on the whole as favourable as could be expected.

The original distance between what was demanded by France and what could conceivably be paid by Germany was too great to be covered by one negotiation or even by the negotiations of one year. Progress, however, has been made both in bringing down French expectations and in bringing up German performance. More than this it was not possible for statesmanship and diplomacy to achieve.

7. *Military Danger*

It is many months since the possibility of a military campaign by Germany in the near future constituted a real menace to European peace. The operations of the Military and Naval Control Commissions, whose duty it was to destroy German armaments, have been carried through with such success that in my judgment Germany is incapable of entering upon a campaign against the *Entente*, or even against an isolated France, with the smallest chance of success. Unless some entirely new method of aerial or chemical attack is discovered, it would seem impossible for any country not possessing heavy artillery and an elaborate aerial equipment to sustain a campaign

against a modern army. Germany does not possess these. It would also appear impossible, without long years of preparation, for Germany to create the necessary military equipment. She could not even begin to create it without the fact being discovered by foreign observers. It must be remembered that some 2,000,000 factory and railway hands are members of the Independent and Communist Parties. The manufacture and transport of war material or military preparations on any serious scale could not escape their vigilance. Alarm, therefore, regarding the immediate present is groundless, and apprehensions which were justified when Germany possessed a huge military equipment are now completely out of date.

This does not mean that Germany will never rearm, or that the military danger is at an end for all time. It may, indeed, be worthy of immediate discussion whether some international organisation, possibly under the auspices of the League of Nations, is not necessary after the Commissions of Control have disappeared. These commissions have nearly completed their allotted tasks, and there will be little or no justification for their maintenance after the early months of 1922. It is therefore urgent to come to some final decision regarding the measures, if any, which may be required to maintain supervision (if not control) when the present safeguards disappear.

A general survey of the main events of the past year goes to show that in most directions progress towards a restoration of normal conditions has been achieved.

The German Government is stronger and has less to fear from extremists. It has declared deliberately for a policy of fulfilment of its Treaty obligations, and is supported by public opinion. Trade and industry have improved to a marked degree; the condition of the people as regards food and clothing has become more normal, if still below pre-war level.

As regards foreign policy, the attitude of the Government and of the people towards England has definitely improved, and may be considered entirely satisfactory. Our advice is eagerly sought and generally followed. Against France the feeling of bitterness has increased, but this might be modified or attenuated by a few months of wise policy on the part of the French Government and the French people. As regards other countries, there has been no marked change.

The United States and Russia are the two other countries which, after England and France, mainly interest public opinion here: much is hoped from both—from Russia extended commercial relations and the eventual opening of a rich field where German order will be essential to correct disorder and the inherent apathy and incapacity of the Slav; from the United States, not only financial and industrial help, but more common sense and business method in international questions. This contribution on the part of America will, it is hoped, confirm and reinforce the reasonable and, in many respects, magnanimous attitude which Germany has now learnt to expect from England.

No. 828

The Marquess Curzon of Kedleston to Sir M. Cheetham (Paris)

No. 554 Telegraphic [C 19159/47/18]

Urgent

FOREIGN OFFICE, *October 4, 1921, 5.40 p.m.*

Your telegram 614 section 10¹ (of August 17th: military airship for United States Government).

Copy of note to American Ambassador² goes to you by tonight's bag.³

Please maintain attitude on these lines at Conference.

¹ No. 823.

² No. 829, below.

³ Despatch No. 2594, not printed.

No. 829

The Marquess Curzon of Kedleston to the United States Ambassador¹

[C 19159/47/18]

FOREIGN OFFICE, *October 4, 1921*

Your Excellency,

I have given the most careful attention to Your Excellency's memorandum, No. 203 of September 22nd,² in which you explain the reasons for which the United States Government desire the issue of instructions to His Majesty's Ambassador at Paris to support at the Conference of Ambassadors the claim of the United States Government to a military airship of the L.70 type as their share of the compensation to be made by the German Government for the destruction of seven zeppelin airships in the summer of 1919.

2. Your Excellency will, I know, accept my assurance that in any circumstances—but more especially in those to which Your Excellency draws attention as arising out of the recent deplorable loss of the Z.R.2. (R. 38)—His Majesty's Government would not do otherwise than examine in the most sympathetic spirit a request of this nature addressed to them by the United States Government. The matter is, however, affected by certain weighty considerations to which I must call attention, and which were probably not present to the mind of the United States Government when their request was formulated.

3. The precise manner in which compensation is to be given by Germany was, as Your Excellency points out, laid down by the protocol of June 30th, 1921,³ which was drafted in accordance with the allocation of the German airships, approved by the Supreme Council on September 29th 1919.⁴ But in considering the form which, under the protocol, the American share of that compensation should take, it is necessary to take into account, firstly,

¹ The text of this communication is printed in *F.R.U.S.*, 1921, vol. ii, pp. 62–64.

² No. 826.

³ Not printed. See *F.R.U.S.*, op. cit., p. 59.

⁴ See No. 826, n. 5.

the rules for distinguishing between civil and military aircraft, which the allied Governments, in order to secure the execution of Articles 170 and 198 of the Treaty of Versailles, are about to submit to the German Government for acceptance;⁵ and, secondly, the effect which the decision still to be given by the Reparation Commission, as explained in paragraph eight below, may have on the matter.

4. The Supreme Council decision of September 29th 1919 under the heading 'Airships', allocated (1) the two best airships of the 70 class to France and to Great Britain, each power to exercise its choice in that order; and (2) the remaining German airships (actually five in number, seven having already been destroyed by the Germans, although this destruction was not at the time known to the Supreme Council) to the United States, Italy, Great Britain, France, Japan and Belgium, each Power to exercise one choice in alternate rotation. The United States Government, not having ratified the Treaty of Versailles did not participate in this distribution, so that the five vessels were actually disposed of to Italy, Great Britain, and France. The ship allotted to Belgium was destroyed by the aeronautical Commission of Control, as the Belgian Government did not wish to exercise their right of choice. Had the United States Government ratified the treaty at the time these vessels were distributed, they would presumably have been allocated to the United States, Italy, Great Britain, France.

5. The protocol of June 30th, 1921, provided for the delivery of the airships 'Bodensee' and 'Nordstern' to Italy and to France as compensation for two of the Zeppelins destroyed in 1919 and for payment of monetary compensation for the remaining five Zeppelins (the amount due to be estimated from the plans of the destroyed vessels by the aeronautical Commission of Control). The protocol, as Your Excellency points out, by providing that the proportions in which this compensation should be divided amongst the allied and associated Powers should be decided by themselves, recognized the right of the United States Government to participate therein. It at the same time provided that by direct arrangement between Germany and any allied and associated Power one or more civil airships might be delivered to that Power in substitution for that Power's share of the monetary compensation.

6. The fact that airships of a civil type alone were, under the protocol, to be substituted for the monetary compensation was, as Your Excellency is aware, due to the provisions of Articles 170 and 198 of the Treaty of Versailles, in order to secure the execution of which the allied military committee at Versailles included amongst the rules for distinguishing between civil and military aircraft, a rule defining a military airship as an airship having a greater capacity than thirty thousand cubic metres.

7. In these circumstances, His Majesty's Government hope that the United States Government will not persist in their claim for a military airship, which does not appear to be supported either by the circumstances in which the Supreme Council decision of September 29th, 1919, was executed or by the terms of the protocol of June 30th, 1921. Effect cannot in practice be given

⁵ See No. 804.

to the desire of the United States Government without untoward results, among which I may mention an inevitable increase in the difficulties experienced by the allied Governments in obtaining the execution of Articles 170 and 198 of the Treaty of Versailles. Moreover, the construction of a large military dirigible in Germany for the United States Government must inevitably postpone the early termination of the work of the Aeronautical Commission of Control,—a measure for which in the face of no little opposition, His Majesty's Government have consistently pressed, and which is desirable in the interests both of economy and of the relations between the allied Governments and the German Government. These are consequences which I am confident that the United States Government will be anxious to avoid.

8. Finally it should be explained that, in the view of His Majesty's Government, the question whether the value of the civil airships delivered and the cash paid by Germany, as compensation for the destroyed airships, is to be credited to Germany and debited to the recipient is, under the terms of the Treaty of Versailles, determinable by the Reparation Commission. It is unfortunate that a decision of the Commission on the matter was not obtained before the signature of the Protocol of 30th June 1921, but His Majesty's Government have now instructed the British Delegate on the Commission to endeavour to obtain a decision of the Commission thereon at the earliest possible opportunity.⁶ Should the Commission decide that no credit is to be given to Germany the arrangements contemplated in the Protocol of 30th June 1921 can be carried out as originally intended. If, however, the Reparation Commission shall decide that Germany is to be credited on account of reparation, this will apparently involve some revision of those arrangements at any rate in the case of the United States Government, which has put forward no claim to reparation and which cannot therefore be debited by an entry in Reparation Account.

I have, &c.,
(For the Secretary of State)
CHARLES TUFTON

⁶ Instructions were sent by the Treasury to Sir J. Bradbury on September 30.

No. 830

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received October 11, 10.30 a.m.)

No. 731 *Telegraphic: by bag [Confidential/General/199/4]*

PARIS, October 8, 1921

The Conference of Ambassadors met this morning under the chairmanship of Monsieur Jules Cambon and considered the following questions:—...¹

4. On the recommendation of the Naval Advisers the Conference author-

¹ The sections omitted referred to other matters.

ised the Naval Commission of Control in Germany to call upon the German Government to carry out the destruction of the parts of Diesel engines which have been constructed for use in submarines in contravention of the Treaty of Versailles (see Lord Hardinge's telegram No. 217, section 9 (A) of 20th April).² The Commission of Control is at the same time to inform the German Government that the Conference of Ambassadors views with concern the continued obstruction which the German Government places in the way of the Inter-allied Naval Commission of Control and to call their attention to the ultimatum of the allied Governments of May [5], 1921.³ . . .¹

² No. 602.

³ See No. 774, n. 2.

No. 831

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received October 9, 10.20 a.m.)

No. 732 Telegraphic: by bag [C 19355/47/18]

PARIS, October 8, 1921

Your despatch No. 2594¹ and your telegram No. 554.²

At today's meeting of the Conference of Ambassadors, the American Ambassador presented a memorandum (copy of which is enclosed in my despatch No. 2774)³ urging once more and adducing additional considerations for the grant to the United States of an airship of 70,000 tons. I represented that this communication involving new issues not yet examined would require detailed discussion and could hardly be accepted forthwith. The Italian Ambassador, however, carried the debate into a new field by proposing, in evidently prearranged concert with the French, that all juridical and technical aspects of the question should be left out of account and that the airship should be presented to America as an act of political grace if this expression is permissible. M. Cambon enthusiastically welcomed this suggestion, and the American Ambassador stated his opinion that the contemplated action would be an appropriate overture to the Washington Conference.⁴ The Japanese representative, who has hitherto preserved a discreet silence in the discussion on this subject, pointed out that it would be open to another Power to claim the advantage conceded to America. Count Bonin on this unblushingly added a rider to his previous proposal to the effect that the concession of an airship must be regarded as a unique act which would carry no precedent (and after which presumably the serious reasons weighing against further construction in Germany would again become effective). The Japanese delegate said that if this view was accepted he must ask for an adjournment to give time for reference to Tokyo. I supported him in this attitude and said that I could not agree on the spur of the moment to a

¹ See No. 828, n. 3.

² No. 828.

³ Not printed.

⁴ The Conference on the Limitation of Armament, see Vol. XIV, Chaps. V and VI.

decision which left entirely out of account the points of view from which His Majesty's Government had hitherto regarded this question (see Your Lordship's despatch No. 2594). I also objected to the further suggestion that Count Bonin's proposal should be passed by the Conference subject to the subsequent adhesion of the British and Japanese Government[s] if and when obtained.

I would add that the American Ambassador was in possession of Your Lordship's note to Mr. Harvey of the 4th October.⁵

As the next meeting of the Conference is on the 12th October, I should be glad to be furnished with fresh instructions, if possible, before that date, in view of the pressure to be expected from the three Powers now acting together at the Conference.⁶

⁵ No. 829.

⁶ In his telegram No. 580 of October 13, Lord Curzon, having referred to his telegram No. 606 to Washington (No. 832), instructed Sir M. Cheetham as follows: 'You may inform conference that, in the circumstances and subject to the considerations set out therein, His Majesty's Government are content to leave the decision to the United States Government.'

No. 832

The Marquess Curzon of Kedleston to Sir A. Geddes (Washington)

No. 606 Telegraphic [C 19545/47/18]

FOREIGN OFFICE, *October 12, 1921, 8 p.m.*

American representatives in London and Paris are pressing strongly the claim of the United States Government for a large and—what is potentially at least—a military airship as the American share of the compensation (to be made by the Germans under the protocol of June 30, 1921)¹ for the seven airships due for surrender under the treaty, but deliberately destroyed by the Germans in the summer of 1919.

Conference of Ambassadors refused on August 17 the request of the U.S. Ambassador in Paris for permission for Germany to manufacture for and deliver to the United States such an airship (see Paris telegrams Nos. 553 and 614 in sections).²

U.S. Ambassador then submitted a new request for an airship of 70,000 cubic metres.³

The request was considered by the Conference on October 8. The French and Italian members advocated waiving all technical and juridical objections and permitting the Germans to manufacture such an airship for the Americans as a special and exceptional case. The Japanese member of the Conference referred to his Government for instructions, as did Sir M. Cheetham, whose instructions at the moment were to maintain the attitude which I had outlined in a note to Mr. Harvey on Oct. 4.⁴ In this note I had pointed out

¹ See No. 829, n. 3.

² See Nos. 818 and 823.

³ See No. 831.

⁴ No. 829.

that, whilst H.M.G. fully recognized that the Supreme Council in September 1919 had intended to allocate a share of the surrendered German airships to the U.S., owing to their non-ratification of the treaty, the U.S. did not in fact participate in the actual allocation of the vessels distributed in 1920, and that their only claim now rested on their right to receive a share in the compensation to be made by the German Government for the seven vessels destroyed in 1919. This compensation was, under the protocol of June 1921, to be of a monetary nature, though any individual Power was entitled to make special arrangements with the Germans to take its share thereof in *civil* airships, which had already been defined by the Commission of Control as airships of less than 30,000 cubic metres.

Please explain the matter to the Secretary of State on above lines and assure him that H.M.G. have no desire or intention—more especially in view of the recent loss of the R. 38—to put obstacles in the way of the acquisition by the United States Government of an airship of whatever class or character—military or civil.

We are, however, concerned not to complicate or lengthen the task of the aerial commission of control, which it should be possible to withdraw from Germany at the end of the year, unless the French, acting on a hint, which they have already given, succeed in using the construction of the American airship as a pretext for the maintenance of the commission. Should the U.S. Government persist in their request therefore, H.M.G. would expect to receive an assurance that the U.S. Government will support them in obtaining at the Conference of Ambassadors a categorical decision that the construction of the airship will not be allowed in any way to influence the duration of the existing aerial commission of control.

The Japanese Government may also have views on this matter, and Japan and other Powers may claim similar facilities to those accorded to the U.S., facilities which if granted would obviously further complicate the task of the aerial disarmament of Germany and render almost nugatory the rules for the observance of Article 198 of the Treaty of Versailles. Can we assume therefore that the U.S. Government will, in the first place, come to some clear understanding with the Japanese, that the latter will not claim similar compensation?

The American Ambassador in Paris is reported to have stated that the permission of the allies for the manufacture in Germany of this vessel could be deemed an 'appropriate overture to the Washington conference'.⁵ Will it not rather be regarded by public opinion of most countries as at least disappointing that the Power, which is hailed as the pioneer of world disarmament, should signalise the opening of the disarmament conference, which she has herself summoned, by demanding the construction in Germany of an airship which (whatever may be said to the contrary) is primarily of military value?

Copied to Paris by bag.

⁵ See No. 831, n. 4.

No. 833

Sir A. Geddes (Washington) to the Marquess Curzon of Kedleston
(Received October 18, 10 a.m.)

No. 673 Telegraphic [C 19941/47/18]

WASHINGTON, October 17, 1921¹

Your telegram No. 606.²

I have seen Secretary of State and discussed question of airships fully with him.

United States Government intend to persist in their request. They see no reason why Japan should not claim similar compensation if they want (? it). Further United States Government is altogether in favour of withdrawing Aerial Commission of Control from Germany at the end of this year and are prepared to support a decision to the effect at Conference of Ambassadors. Mr. Hughes thinks however that some slight concession to France's susceptibilities might be necessary such as right of occasional visit to factory in which airships will be built.

The building he contemplates will be under close supervision of American Naval officers.

¹ The time of despatch of this telegram is not recorded.

² No. 832.

No. 834

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received October 18)

No. 763 Telegraphic: by bag [C 19906/47/18]

PARIS, October 17, 1921

Your telegram No. 580.¹

Japanese Ambassador has informed me confidentially that he has telegraphed to Tokio, suggesting that United States Government's demand for German airship, since it involves directly the question of disarmament, might well be referred to the Washington Conference.²

¹ See No. 831, n. 6.

² See No. 831, n. 4.

No. 835

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 2796 [C 20084/37/18]*

FOREIGN OFFICE, October 29, 1921

My Lord,

Your Excellency will recollect that at the August meeting of the Supreme Council it was decided to postpone for further consideration by the Allied Governments the question of the future organisation of the Military, Naval and Aeronautical Commissions of Control in Germany.

2. The whole question has again been carefully considered, and, as a result, the organisation, outlined in the memorandum of the 27th July (see Germany print, the 27th July, section 1),¹ as proposed by the British representatives at the August meeting of the Supreme Council,² is held to be fully adequate to forestall any danger of an attempted renewal of German armaments on anything approaching the 1914 scale.

3. Nevertheless, with a view to do[ing] everything possible towards effecting a compromise with the French attitude in this matter, as explained by M. Briand at the August Supreme Council, the original British proposals for the reorganisation of the military and aeronautical control have been somewhat modified. Similar modifications have not been introduced into the proposals for the naval control solely owing to the considered opinion of the Admiralty that the safeguards afforded by article 213 of the Treaty of Versailles are fully adequate, taking into account the great difficulties of the secret construction by the Germans of warships of every character.

4. In view of the improbability of an early meeting of the Supreme Council and of the approaching completion of the work of the Aeronautical Commission of Control, I request that your Excellency will now bring this question before the Conference of Ambassadors in accordance with the suggestions outlined in paragraphs 8, 9, and 10 of the accompanying memorandum, and that you will explain the situation, if you consider it necessary, in the sense of the preceding paragraphs of this despatch.

5. I need not impress upon your Excellency the importance of endeavouring to convince the conference of the necessity of offering to the German Government, in return for the acceptance of the new system of military and aeronautical control, the cessation of the occupation of Duisburg, Ruhrort and Düsseldorf. You will, in support of this proposal, be able to urge M. Briand's undertaking, given at the August Supreme Council, to reconsider this question at an early date (see minutes of meeting on the 13th August at 3.30 P.M., pp. 15-18),³ and also to emphasise the safeguards, additional to the treaty, which would be secured by German acceptance of the proposals contained in the accompanying memorandum.

I am, &c.,

CURZON OF KEDLESTON

ENCLOSURE 1 in No. 835

Memorandum

Confidential

FOREIGN OFFICE, October 27, 1921

THE FUTURE OF THE INTER-ALLIED COMMISSIONS OF CONTROL
IN GERMANY

The reports of the military, naval and aeronautical experts, presented to the Supreme Council in August 1921,⁴ show that, in order to complete the

¹ No. 815.

² See Vol. XV, No. 103, minute 8, and No. 104, minute 4.

³ See Vol. XV, No. 104, minute 3, p. 745.

⁴ See Vol. XV, No. 103, Appendix 5, and No. 104, Appendix 6 and Appendix 7.

disarmament of Germany, the following acts still remain to be accomplished:—

(a) *Military Disarmament*

- (1) The Commission of Control need a detailed list of the 'self-protection' associations in order that they may be able to check the actual state of dissolution thereof. (Article 177.)⁵
- (2) The German Government have still to reduce the police force to the numbers allowed by the Allies, and to complete the conversion of the force into a civilian body. (Article 162.)
- (3) The German Government have still to complete the delivery and destruction of war material, and to communicate the detailed lists of German pre-armistice armament, which will make it possible for the Commission of Control to determine the amount of war material still due for surrender. 2,000 out of 7,000 factories known to have manufactured war material have still to be visited by the Commission of Control for the purpose of checking the destruction of machinery, &c. (Article 169.)
- (4) Until the Budget of 1922 has been examined it will not be possible to ensure that the Germans are not retaining officials in civil employment, and that they have not still in being minimum mobilisation cadres. (Article 160.)

(b) *Naval Disarmament*

- (1) The disarmament of Heligoland will not be complete until some time in 1922, and there is still some mine-sweeping to be done in the Baltic. (Article 115.)
- (2) The delivery of war material, certain spare parts and range-finding apparatus, &c., will not be complete until 1922. (Articles 189 and 192.)
- (3) The destruction of certain surplus ships under construction has still to be completed, as well as the conversion of certain men-of-war into commercial vessels. (Article 186.)
- (4) The delivery of the port material due as compensation for the Scapa Flow incident is still incomplete.

(c) *Air Disarmament*

- (1) The delivery of declared aircraft and accessories and air installations, &c., was to be complete by the 30th September, 1921.
- (2) The completion of the surrender of the material manufactured contrary to the Boulogne decision of the 22nd June, 1920,⁶ may be expected by the end of the present year.

2. On the basis of this report,⁷ the French can claim with justice that the moment for the complete disappearance of control is not yet ripe. They go

⁵ This, and subsequent articles referred to, are those of the Versailles Peace Treaty.

⁶ See Vol. VIII, No. 36, minute 3, and Document 165 in Cmd. 1325 of 1921.

⁷ That is to say, the reports of the military, naval, and aeronautical experts.

further, however, and assert the necessity of the substitution of a new system of control for the existing commissions so soon as the acts, enumerated in paragraph 1 above, are complete. The French assertion is supported by the considered opinion which the military, naval and air experts recently gave to the Supreme Council, to the effect that, even with the complete execution of the acts enumerated in paragraph 1 above, the results achieved might well only be temporary. Thus it would still be possible for the German Government to manufacture and import war material in secret, to re-create in secret new 'self-defence' associations, and to camouflage as commercial aircraft military and naval aeroplanes, &c.

3. The disproving or acceptance of the French thesis cannot be long delayed, for, upon the admission of the air experts that aeronautical disarmament will be complete by the end of the year, the question of the future of aeronautical control at least must be faced almost immediately.

4. Whatever may be the military or political merits of the French contention, the treaty affords it no legal support. As is explained in the annexed minute by Sir C. Hurst (Annex 1),⁸ the functions of the existing commissions of control terminate, under article 203, with the fulfilment of those articles of the treaty for the execution of which a time-limit is imposed. Articles imposing obligations on Germany, which are unlimited in duration, do not concern the existing commissions, at any rate after their primary function of ensuring the execution of the time-limit clauses has been fulfilled.

(N.B.—The legal right of the Allies to continue control is unaffected by the German acceptance on the 11th May, 1921, of the Paris disarmament decisions of the 29th January, 1921,⁹ which included a provision that the Allies should assure themselves 'by constant supervision' that Germany was observing the Allied definitions (distinguishing civil from military aviation), intended to secure the application of article 198. The British representatives at the January Supreme Council, in accepting the words 'constant supervision,' did so on the understanding that no departure from the British opposition to any form of permanent control in Germany was thereby implied. The British attitude had already been made clear to the Military Committee of Versailles, the relevant sentence in whose report¹⁰ (upon which the Paris note of the 29th January was founded) read: 'The Allied Governments shall assure themselves by constant supervision (*to be arranged*),'¹¹ &c. The Germans therefore, in accepting these words in May 1921, accepted nothing which was not already in the treaty.)

5. In these circumstances, if the Allies desire to maintain some supervision of German armament, after the execution of the time-limit clauses, they can only do so with German consent and after the negotiation of some fresh agreement with the German Government. It is upon this theory that Lord D'Abernon has consistently urged the negotiation of some agreement with the

⁸ Not printed.

⁹ See Vol. XV, No. 11, Appendix 1, and No. 12, n. 2.

¹⁰ See Vol. XV, No. 11, Appendix 2, p. 106.

¹¹ The words 'to be arranged' were not included in the Paris note. Cf. Vol. XV, No. 12, n. 2(d).

Germans for the substitution of some modified system of control, an agreement which would be accepted by the Germans in return for concessions by the Allies. It was upon this theory and under the belief that the safeguards afforded by article 213 would be judged to be inadequate by the French (a belief which has since been proved to be correct) that the Foreign Office pressed for the settlement of this question on these lines at the August meeting of the Supreme Council (see Lord Curzon's Memorandum of the 27th July,¹² C 15277/13/18).

6. The French, however, held out for a new system of control with its headquarters in Germany, and did not mention the necessity of obtaining German consent thereto. We refused to concede more than a strictly modified system of control with its headquarters outside Germany, brought into being by means of a negotiated agreement. In view of this strong divergence of opinion between ourselves and the French, what steps are now possible for the settlement of this question?

7. Three proposals for a compromise between the British and French standpoints were made at the recent Supreme Council:—

- (a) The Italian proposal for continued control for a definite period.
- (b) The Japanese proposal for the transfer of the control headquarters from Berlin to some other German centre.
- (c) The Belgian proposal for the reduction of the control organisation within Germany to some small body which should act as the 'intelligence' of the main body, which would sit (as proposed by Lord Curzon) in the various Allied capitals.

It is understood that all these proposals contemplated that the cost of the new control organisations would in any case be borne by the Allied Governments themselves.

8. Confining the question for the moment to the future of aeronautical control, there are perhaps in these proposals the elements of a settlement. The existing Aeronautical Commission might be withdrawn at the end of the year (when aeronautical disarmament will be complete) and, when the Germans are informed of its approaching withdrawal (as they must be eventually, and to which there can now be no rational objection), they might be asked to accept the principle of the continuance at Berlin of a small headquarters of the Allied Commission of Control. The personnel of this headquarters would, of course, be strictly limited. It would act as the 'intelligence' of the main body sitting in the Allied capitals, or in the occupied territory, as under the original British proposal. The Germans would also be asked to guarantee to the main body of the commission the right to enter German territory for the purpose of investigation and inspection on receipt of a request from the Allied Governments as represented by the Conference of Ambassadors. The period of the main body's visit to German territory would be limited by the Conference of Ambassadors. The cost of both the advance and main bodies would be borne by the Allies. The Germans might

¹² No. 815.

be induced to accept this proposal by the offer, as a *quid pro quo*, of the immediate withdrawal of the existing military sanction (*i.e.*, the occupation of Duisburg, Ruhrort and Düsseldorf), and, as Lord D'Abernon has already suggested, it might be pointed out to them that they owed to Europe the acceptance of this modified control as a proof of their pacific intentions in the future. It might also be conceded (on the lines of the Marquis della Torretta's proposal at the Supreme Council last August) that the duration of the new system of control would be limited to the period of the occupation of the Cologne bridgehead, after which period the whole question would again come under review.

9. As regards military and naval control, it is clear that, unlike aeronautical control, there will for some months be work for the existing Control Commissions to do. The first step is therefore to hasten the execution of this work. This might be effected (*a*) by an order to the Naval and Military Control Commissions to furnish, where possible, detailed estimates of the acts and time required to complete disarmament; it being understood that such estimates were dependent upon the Germans furnishing the material required (*e.g.*, list of pre-war armament, &c.) and upon German co-operation; and (*b*) by a notification to the Germans that, anxious as the Allies were to dispense with the existing control, their will to do so was dependent on prior and full execution of military and naval disarmament; by the specification, in detail where possible, of the acts remaining to be accomplished; and by an explanation that, where such detail was absent, its supply was dependent upon the requisite materials (list of pre-war armament, &c.) being furnished from German sources. The Germans would naturally be asked to accept the principle of the new military control together with that of the new aeronautical control, and, as in the case of the latter, the personnel of the new military control would be specified and strictly limited. In view of the strong objections to continued naval control, outlined by the Admiralty in their letters of July and October and in view of the fact that naval disarmament is primarily a British interest, we might refuse to yield to the French on this point and insist on the sufficiency of the guarantees afforded by article 213.¹³

10. To sum up, then, the procedure for the settlement of the future of the Commissions of Control might be as follows:—

- (1) Existing Naval and Military Control Commissions to be asked to prepare for the Allied Governments estimates of the exact acts and time[s] necessary to complete the various disarmament clauses of the treaty, such estimates being subject to German co-operation in the execution thereof.
- (2) The German Government to be notified of the approaching withdrawal of the Aeronautical Commission of Control; to be asked to accept the principle of a modified system of military and aeronautical control (outlined in paragraph 8 above) as a pledge of future good

¹³ The last sentence of this paragraph was added to the draft, dated September 27, which was submitted to the Admiralty, War Office, and Air Ministry on September 28.

faith, and in return for withdrawal of the military sanction; and to be informed that the withdrawal of the existing naval and military control was in any case dependent on complete execution of unfulfilled disarmament clauses, a list of which would be communicated together, where possible, with an estimate of exact acts and times required for execution, and an explanation of the reason for the absence of this detail in certain cases (see paragraph 9 above).

- (3) In matter of naval control, the German Government to be notified that the Allies were content to rely on the safeguards afforded by article 213.

11. It is of course understood that this proposal is put forward as a compromise to meet the scruples of the French, and that, in view of the legal position outlined in Sir C. Hurst's minute, we should, if we so desired, be on strong ground in refusing to concede any control at all inside Germany after the disappearance of the existing commissions.

ENCLOSURE 2 IN No. 835

War Office to Foreign Office

WAR OFFICE, LONDON, *October 20, 1921*

Sir,

I am commanded by the Army Council to acknowledge the receipt of Foreign Office letter of the 28th September, 1921, forwarding copy of a Foreign Office memorandum dealing with the future of the Commissions of Control in Germany.

2. I am to state that the Army Council are in agreement with the proposals contained in the memorandum, with the exception of the suggestion that the headquarters of the very small Allied Commission of Control should be at some German town other than Berlin. Apart from the question of prestige, the Army Council are strongly of opinion that, if the commission is to be in Germany at all, it should be at Berlin. It is considered that the commission will not be able to carry out its duties successfully unless it keeps in close personal touch with the Reichswehr Ministry and other Government authorities.

3. The Army Council are further of opinion that it should be definitely laid down that the 'main body' is only to enter Germany, for the purpose of carrying out inspections or investigations, on receipt of orders from the Conference of Ambassadors, *i.e.*, the Allied Governments. Special importance is attached to this question, as it is understood that the French propose to confer on the president of the commission in Germany the authority to call up the 'main body.' The undesirability of such a form of procedure hardly needs emphasising, especially in view of the fact that a Frenchman is certain to be nominated as president of the commission.

4. The Army Council are further of opinion that the British quota of the 'main body' should consist of officers earmarked in the army of the Rhine, who would only receive special pay when functioning as a commission.

5. The Army Council presume that Italy and Japan will provide a quota for the commission, as heretofore.

6. The Army Council are also of opinion that the duration of the new system of control should be limited to the period of the occupation of the Cologne bridgehead,¹⁴ after which period the whole question would again come under review.

I am, &c.,
H. J. CREEDY¹⁵

ENCLOSURE 3 IN No. 835

Admiralty to Foreign Office

Sir,

ADMIRALTY, October 20, 1921

With reference to your letter of the 28th September, 1921, in regard to the future of the Commission of Control, I am commanded by my Lords Commissioners of the Admiralty to acquaint you, for the information of the Secretary of State for Foreign Affairs, that the following are some of the objections to the proposed method of control by the maintenance of an advanced commission in Germany:—

- (1) Officers of His Majesty's service are not trained and are generally unsuitable for carrying out the duties that must inevitably fall to the proposed 'advanced commission.'
- (2) The commission's sitting at Berlin or in any other German town would be subjected to the concentrated attention of the German contre-espionage system; measures of every description would be adopted to hinder its activities and expose it to ridicule.
- (3) The question of cost of maintenance is an important consideration.
- (4) The political aspect, although not the direct concern of the Admiralty, cannot be entirely ignored; the presence of Allied officers cannot fail to act as an irritant and would doubtless be used as a weapon in political disputes with Germany.

2. For the above reasons and those given in Admiralty letter of the 19th July, 1921,¹⁶ their Lordships are not in favour of the proposals put forward in Lord Curzon's letter, but they do not wish to press their views unduly, since they recognise that the military and air requirements differ from the naval, and they are prepared to acquiesce in any procedure which the Foreign Office feel it is necessary to adopt in order to meet French susceptibilities.

3. As regards the date on which the Naval Commission of Control ceases, it will be seen from the letter from Admiral Charlton¹⁷ to the British Ambassador, dated the 1st October, 1921,¹⁶ which is enclosed in your letter of the 14th October,¹⁶ that Admiral Charlton gives April 1922 as the earliest date.

I am, &c.,
ALEX. FLINT

¹⁴ i.e. to January 10, 1925.

¹⁵ Joint Secretary to the War Office and the Army Council.

¹⁶ Not printed.

¹⁷ President of the Inter-Allied Naval Commission of Control at Berlin.

ENCLOSURE 4 IN No. 835
Air Ministry to Foreign Office

AIR MINISTRY, *October* [? 20], 1921

Sir,

I am commanded by the Air Council to refer to Mr. Tufton's letter of the 28th September, relative to the recent discussions of the Supreme Council in regard to the future of the Commissions of Control, and to say that in the circumstances, and in the hopes of effecting a compromise with the French, the Air Council agree with the proposals contained in the memorandum enclosed therewith.

They see no reason, however, to modify their original view that the location of any kind of permanent commission is in actual fact unnecessary and undesirable.

I am, &c.,
W. F. NICHOLSON

No. 836

General Staff Memorandum on the Disarmament of Germany¹

[C 21031/13/18]

WAR OFFICE, *November 1, 1921*

**I.—PROGRESS IN DISARMAMENT IN EXECUTION OF THE TREATY OF VERSAILLES
AND IN ACCORDANCE WITH THE DEMANDS OF THE INTER-ALLIED MILITARY
COMMISSION OF CONTROL**

A. GENERAL

1. The military articles of the Treaty were framed to provide exhaustively both for the immediate disarmament of Germany and for the limitation of the strength and power of expansion of the German Army in the future.

The vital basis for ensuring the removal of any actual German military menace for a considerable period can, however, be summarized briefly as follows:—

- (a) The surrender and destruction of all war *matériel* in Germany in excess of the quantity allowed by the Treaty.
- (b) The abolition of the laws constituting universal military service in Germany, and the establishment of a system of voluntary enlistment for the future German Army.
- (c) The reduction of the German armed forces to the establishments laid down in the Treaty, and the elimination of all facilities for future mobilization.

In addition, the decisions of the Allied Governments at the various Disarmament Conferences held in 1920 and 1921 provided for:—

- (1) The disarmament of the civil population in Germany.

¹ This document was transmitted by the Director of Military Intelligence at the War Office to the Foreign Office, where it was received on November 3.

- (2) The dissolution of all unauthorized military forces in Germany.
- (3) The reduction in the armament of the German police and the demilitarization of the police forces.

These decisions were generally covered by the various clauses of the Treaty, but their importance had greatly increased since the Treaty was framed.

The progress made by the German Government in the execution of the vital military articles of the Treaty is shown in Sections B to G below.

2. Disarmament for many months met with considerable opposition in Germany, partly owing to the attitude of the German Government, but mainly owing to continual obstruction by subordinate authorities and the extremist elements in the country.

On 5th May, 1921, the London Conference sent an ultimatum to the German Government, in which the complete execution of disarmament, in accordance with the military clauses of the Treaty of Versailles, was demanded.

The German Government accepted this ultimatum, and on 12th May, 1921, General Nollet, President of the Inter-Allied Military Commission of Control in Germany, notified the German Government of all outstanding questions relating to disarmament, and fixed the dates by which the various decisions of the Inter-Allied Military Commission of Control had to be completely executed.

The various decisions of the Inter-Allied Military Commission of Control, enumerated in General Nollet's letter, and the progress in their execution, are given in detail in Sections B to G below.

3. In general, it can be taken that Germany has been effectively disarmed as far as *matériel* is concerned, and that her authorized forces have been reduced to the establishments laid down in the Treaty, although control and decentralization of the police will take several more months to accomplish completely.

The civil population and the unauthorized forces have been disarmed to a very considerable extent and the *semi-official organizing staffs of the unauthorized forces and societies have been prohibited and broken up*. It is probable, however, that private persons are still engaged in organizing, in secret, the prohibited unauthorized forces and societies.

Germany is at the moment quite powerless to fight a war with any fully organized military power; the armament and *matériel* requisite for an army in European war have been surrendered and destroyed, and could not be reconstructed for a considerable period, even admitting that the reversion to war production could possibly escape the vigilance of the Allied representatives in Germany.

Germany, for the next 10 or 15 years, is bound to have a large reservoir of trained man-power. This is true of every European country which fought in the war. Germany possesses an excellent cadre for the training and expansion of a national army in the *Reichsheer* (Federal Army) and armed

constabulary (*Schutzpolizei*); the necessity for dealing with the large number of claims for pensions, &c., left over from her war-time Army, enables her to keep a complete record of all men who served in the German army up to 1919; the events in Germany from 1918-1921, and the political passions which have been aroused in the various opposing classes and parties, have favoured the existence of unauthorized armed organizations, and although these are now officially dissolved, it is probable that it will be impossible to prevent their existence under the surface in the future; the natural tendency of the German people to form associations, whether for patriotic, gymnastic or social purposes, makes a *levée en masse* a far easier problem in Germany than in more individualistic countries.

In spite of the above facts, which undoubtedly account for much of the French apprehension for the future, it cannot be taken that Germany presents any military menace at the moment.

The German nation is at present thoroughly war-weary, and will certainly not fight unless driven to despair by a policy of force and aggression.

The reserve of trained man-power decreases in number and even more in military value each year; the unauthorized organizations will tend to disappear as conditions become more settled; each year new annual classes will grow to military age, who are not accustomed to the idea of universal service and who will probably be strongly averse to its reimposition.

To sum up, Germany has the man-power and possibility of expansion for war, but the German Government will not be in a position to use this weapon unless Allied policy makes the whole population willing to accept the risks of new war as an alternative to complete despair.

4. General Nollet, President of the Inter-Allied Military Commission of Control in Germany, has reported to Marshal Foch that he hopes to be able to reduce the personnel of the Inter-Allied Military Commission of Control by between 30 to 40 per cent. by 1st January, 1922.

Reductions commenced in September.

General Bingham, in a report dated 22nd October, 1921, states that further very considerable reductions will be made by 1st April, 1922; by the summer of 1922 it may be possible to replace the reduced Commission of Control by the proposed new Post-Commission Control Organization.

5. Appendix II. gives tables of the comparative strengths of the German Army—1914—1918—1921.

B. THE 100,000 ARMY

1. *Wehrgesetz*

The *Wehrgesetz* (Army Law) of March [23], 1921, contained various provisions to which the Inter-Allied Military Commission of Control took exception; the Germans have now passed the necessary amendments to this law, and these have been promulgated.

2. *Organization of the Army*

The 100,000 army organization contained certain units and establishments which were not in accordance with the Treaty. Orders have been issued by the *Reichswehr* Ministry (Defence Ministry) to make the organization of the Army conform to the demands of the Inter-Allied Military Commission of Control; the Inter-Allied Military Commission of Control have approved the revised establishments submitted by the Germans. Until the normal budget for 1922 has been examined, it will be impossible to check whether the Germans are not retaining officers in civil employment, or maintaining any mobilization cadres.

The examination of a German Budget is, however, not infallible. In pre-war days many military items were taken under Votes which had nothing to do with the Army and it is reasonable to suppose that this procedure may be repeated.

3. *Transfer of Military Administrative Services to Civil Ministries*

In 1920, a number of administrative services were transferred from the military authorities to Civil Ministries. This was forbidden by the London Ultimatum, and all these services either have been or are in process of being re-transferred to the control of the *Reichswehr* Ministry. These transfers should, according to reports from the Inter-Allied Military Commission of Control, have been completed by 1st October, 1921; in certain cases their cost will not be debited to the *Reichswehr* Ministry till 1st January, 1922.

4. *Maintenance of Traditions and Dispersion of Units*

The Germans certainly are maintaining the traditions of the Old Army in the units of the present Army, and this no doubt is intended as a method for facilitating mobilization. The maintenance of traditions, is not, however, forbidden by the Treaty.

The dispersion of small units in the barracks of the former Army is largely due to the necessity for the local preservation of order.

C. SURRENDER AND DESTRUCTION OF WAR *MATÉRIEL*

1. *General*

Tables showing the surrender and destruction of war *matériel* are given in Appendix I. below.

A large amount of war *matériel* has been surrendered and destroyed, and the surrender of this *matériel* has now practically ceased. The destruction of such *matériel* is nearly completed as regards all the important items.

An increased amount of war *matériel* was surrendered after the May ultimatum, and Major-General the Hon. Sir F. R. Bingham, Chief of the Armaments Sub-Commission of the Inter-Allied Military Commission of Control, in a report, dated 16th July, 1921, stated that the deliveries of war *matériel* were extremely satisfactory, and constituted a record for any period since the Commission had been in Germany.

In a report, dated 1st September, 1921, General Bingham states that he everywhere receives the impression that there is a very inconsiderable amount of war *matériel* left in the country, although it is impossible to give exact figures. Demands are coming in from units of the German Army for the return of surrendered stores to complete their authorized establishment.

In the last month, destruction has undoubtedly slowed down and General Bingham has made representations to the German Government on this subject. General Bingham considered, however, that this slowing down is due to the fear of the employees of the *Reichstreuhandgesellschaft* (the 'Federal Trust Company,' which carries out the actual destruction), that when the work of destruction is finished they will be out of employment.

The Inter-Allied Military Commission of Control have repeatedly demanded from the German Government a statement of the war *matériel* existing in Germany in November, 1918. This the Germans state they are unable to furnish owing to the utter chaos caused by the breakdown of the armies and the revolution.

2. *Excess War Matériel in Possession of Units and Dépôts of the Army*

The treaty lays down definite stocks of arms and ammunition which Germany may maintain.

The Inter-Allied Military Commission of Control have always contended, that as a check to German possibilities of mobilization, they were in addition authorized to lay down the amount of spare parts, equipment and clothing which the German Army might possess, and that their duties were not confined merely to supervising the armament laid down by the Treaty.

The German authorities tried to contest this decision of the Inter-Allied Military Commission of Control, and to maintain large stocks on charge of units, both of arms and spare parts, also of clothing and equipment. This was forbidden by the London ultimatum, and definite establishments for arms and *matériel* were laid down by the Inter-Allied Military Commission of Control, and accepted by the German Government. Since then, the Inter-Allied Military Commission of Control have reported that large quantities of arms, clothing and *matériel* have been surrendered, and that in general the stocks held by units are down to normal. Surrenders are still incomplete as regards equipment, anti-gas material, signalling *matériel*, carriages and optical instruments. The most important of these items are the gas masks, which the Germans are retaining on a scale of $2\frac{1}{2}$ per man for the Army, with a reserve of 250,000. The Conference of Ambassadors have definitely forbidden the Germans to retain any gas masks.

The amount of *matériel* which the Germans may retain in ordnance dépôts and armourers' shops is being settled by the Inter-Allied Military Commission of Control.

3. *Arms surrendered by the Civil Population*

The German Government claim that this is complete, and the Law for the Disarmament of the Civil Population ceased to be operative on 30th June, 1921.

The figures of arms surrendered by the civil population, and taken over by the Inter-Allied Military Commission of Control, are still considerably below the total of surrenders by the civil population claimed by the German Government.

This discrepancy may in part be due to the difficulty in ascertaining whether arms surrendered emanate from the army, police, unauthorized forces or from the civil population.

It is unlikely that the German Government will be able to obtain the surrender of any considerable quantities of arms from the civil population in the future; it is considered, however, that the hiding of a certain number of rifles and machine guns by various political parties and individuals does not constitute any serious menace to the Allies.

4. *Armament of Land Fortresses*

All surplus guns, trench mortars and machine guns have been surrendered; the remainder of the *matériel* is in course of surrender and is being checked.

5. *Coast Defences*

All surplus guns have been surrendered, with the exception of a small number of guns at Wilhelmshaven; these are claimed for the German Navy, or are required to replace older guns.

6. *Conversion of Peace Plant to War Production*

Great progress has been made in the destruction of plant for the manufacture of war *matériel*.

No destruction permitted by the Treaty can stop Germany reconverting her peace production plant into plant for producing war *matériel* in a certain period of time (probably 6–12 months would be requisite); the sources of information available to the Allies should, however, give early notice of any production of war *matériel* on a large scale. (The ease with which an industrial country can convert purely peace production machinery into war production plant is exemplified by the United Kingdom during the war.)

As regards poison gas, no conceivable system of control can prevent investigation by scientists in private laboratories, while the German dye industry could produce any discovered gas in a given time, in case of war.

7. *Hidden War Matériel*

Occasionally the Inter-Allied Military Commission of Control are able to discover small hidden stores of war *matériel*, but very little has been found in this way.

General Bingham does not consider that any appreciable quantity of war *matériel* is hidden; a few guns and special instruments have probably been hidden by subordinate military officials, and a certain number of machine guns, rifles and pistols are in the possession of extremist elements, both Reactionaries and Communists.

The small amount of hidden war *matériel* can be taken as negligible for arming and equipping a national army in case of war.

D. UNAUTHORISED FORCES

1. *Dissolution*

(a) Decrees have been issued by the German Government ordering the dissolution of the following:—

- (i) The East Prussian *Grenz* and *Ortswehren* (Frontier and Local Guards).
- (ii) The Bavarian *Einwohnerwehr* (Civic Guards).
- (iii) The *Orgesch* Society (*Organization Escherich*—a patriotic society).

In addition to these, other organizations existed previously, which the German Government has stated have all been dissolved.

(b) In accordance with the above legal enactments, all unauthorized forces have officially disappeared in Germany. Reports from the Inter-Allied Military Commission of Control show, however, that, although great progress has been made in dissolving these unauthorized organizations, there are still numerous indications that in certain parts of Germany attempts are being made to retain self-protective organizations in some camouflaged form or other.

In certain towns there are reports of special constabulary armed with life-preservers and pistols. In certain States attempts are being made to recruit a large number of young men for the local volunteer fire brigades; in other areas registration of law-abiding and patriotic citizens is reported, while there are also indications of attempts to carry on the *Einwohnerwehr* organization by means of veteran societies (*Krieger-Vereine*, &c.) and gymnastic clubs (*Turn und Sport Vereine*).

The organization of the Bavarian *Freikorps Oberland* and the other minor volunteer units which were raised in Germany for service during the Upper Silesian rising, and of which elements are still reported to be in existence in the districts bordering on Upper Silesia, shows that reactionary and military associations still exist.

The *Orgesch* Society has *officially been dissolved*, but it is most probable that this patriotic society will continue in secret, and that no action by the Allies can prevent its existence. In addition, the numerous other patriotic societies, which were only affiliated to the *Orgesch*, have, in most cases, survived, by expunging the illegal articles in their Terms of Associations.

From the above it is apparent that the question of unauthorized forces cannot yet be taken as finally settled, and must be closely watched by all Allied representatives in Germany.

It is not considered, however, that in their present form the unauthorized forces present a real military danger to the Allies, and that their existence on a small scale and in secret does to any appreciable extent affect Germany's immediate preparedness for war. The self-protective organizations had a high percentage of men well over military age, and the main idea of the bulk

of the members of these associations was local protection rather than service abroad. It is considered, therefore, that for national mobilization Germany would make use of some more effective instrument.

The Allies have always insisted, and must insist in the future, on the dissolution of these forces, not as constituting a present menace, but owing to their forming the basis for a possible reconstitution in the future of a national army on a conscript basis.

2. Disarmament of Unauthorized Forces

(a) A considerable quantity of arms has so far been surrendered by the unauthorized forces; great difficulty has been experienced in checking the total of the arms surrendered, as arms have also been surrendered through the *Reichsheer* and Police and direct by the owners to the *Reichstreuhandgesellschaft*; the arms have thus been mixed up with those coming from other sources, and it is very difficult to say that the unauthorized forces have been completely disarmed.

The following table shows the arms of unauthorized forces taken over by the Inter-Allied Military Commission of Control for destruction, the arms reported by the German Government as surrendered, and the arms which were stated to have been issued to these organizations:—

—	Rifles.	Machine guns.	Small-arm ammunition. (Rounds.)
Total stated by German Government to have been issued	988,523	8,528	16,948,000
Total stated by German Government to have been handed in	816,916	7,419	13,564,000
Total actually checked by Control at <i>Reichstreuhandgesellschaft</i> depôts .	702,350	6,402	12,552,000

53 guns and 96 trench mortars have also been surrendered by the unauthorized forces.

(b) In East Prussia, the following arms had been surrendered by 2nd July:—

Machine guns	202
Rifles	31,000

The arms declared by the German authorities for this province were:—

Machine guns	194
Rifles	41,079

(c) General Bingham, in a report dated 29th July, stated that the following arms of the Bavarian *Einwohnerwehr* had already been taken over by the Inter-Allied Military Commission of Control for destruction:—

Guns	36
Machine guns	2,680
Rifles	169,000
Trench mortars	34

The arms declared by the Bavarian Government were:—

Machine guns	.	.	.	.	3,395
Rifles	.	.	.	.	248,444

In Bavaria difficulties are increased by the opposition of the Bavarian Government to searches being made for hidden arms; such searches are carried out without opposition in the rest of Germany. The Federal Government is being urged to bring pressure to bear on Bavaria. A certain number of arms are doubtless hidden in Bavaria, but the storage of arms on a large scale must present great difficulties, and the figures given are probably much exaggerated. A certain number of Bavarian arms have also probably been exported to the Tyrol.

Considerable difficulties have been experienced in obtaining the surrender of their arms by the peasants in the Bavarian uplands, who have always been accustomed to keep arms, and it appears unlikely that any effective measures can be taken to enforce disarmament in these districts, owing to the nature of the country.

(d) In general, the progress in the disarmament of the unauthorized forces can be taken as fairly satisfactory.

3. *Notification of all Self-protective Associations and Societies*

The Inter-Allied Military Commission of Control have demanded from the German Government a list of all self-protective associations and societies which have been dissolved, so that the possibility of their continuing in existence can be controlled.

E. POLICE AND GENDARMERIE

1. *General*

(a) The police question is the most important subject to be dealt with by Control.

The Treaty of Versailles laid down that the numbers of Customs Guards, Forest Guards and Coast Guards in Germany were not to exceed the number of such functionaries employed in 1913; the police and *Gendarmerie* (armed rural constabulary) might only be increased above the 1913 establishment in proportion to any local increase in population.

The police and other State employees were not to be assembled for military training.

(b) Owing to the reduction of the German Army, and the lack of internal order in Germany in 1920, the Allies, at the Boulogne Conference in June, 1920, notified the German Government that the police forces might be increased to 150,000 (an increase of 70,000 over the pre-war establishment), and that the *Gendarmerie* might be raised to a strength of 17,000.

At the same time the German Government were ordered to disband the *Sicherheitspolizei* (a force of military police); the police force which Germany could maintain must be organized on a local and municipal basis, and must

only have the armament sanctioned by the Inter-Allied Military Commission of Control. The *Sicherheitspolizei* were formed in 1919, and have now been absorbed in the *Schutzpolizei* (armed constabulary), which is an amalgamation of the *Sicherheitspolizei* and *Ordnungspolizei* (civil police).

The Germans were subsequently notified that the 20,000 additional police previously sanctioned for the Neutral Zone were to be included in the total establishment of 150,000; at the same time the Inter-Allied Rhineland High Commission decided that no increase was necessary in the German police force in occupied territory.

(c) Germany has always maintained various categories of police, and confusion is apt to arise between the various forces, as in many cases their duties and organization overlap. The following table shows the police organization in 1914, 1919-1920 and in October, 1921:—

<i>Force.</i>	<i>Strength.</i>	<i>Armament.</i>	<i>Remarks.</i>
1914			
(i) <i>Gendarmerie</i>	11,000	Rifle, sabre, bayonet and pistol per man.	Mounted and dismounted rural constabulary, scattered in detachments of 1-10 men in the country districts. Under the Army Corps Headquarters for discipline and administration; under the civil authorities for duty.
(ii) <i>Ordnungspolizei</i> — State Police, Communal Police, Criminal and Administrative Police.	80,000	Sabre and pistol. It is believed that a reserve of rifles was kept in certain police barracks.	Normal duties of Metropolitan or borough police.
1919-1920			
(i) <i>Gendarmerie</i>	16,000	As in 1914	Duties as in 1914. The <i>Gendarmerie</i> were removed entirely from military control and handed over to the civil authorities. The force was increased in strength.
(ii) <i>Sicherheitspolizei</i>	60,000- 70,000	A military police force armed with guns, <i>Flammenwerfer</i> , trench mortars, machine guns, tanks, aeroplanes, &c.	The force was transformed into the <i>Schutzpolizei</i> in the autumn of 1920; the forbidden armament was surrendered.

<i>Force.</i>	<i>Strength.</i>	<i>Armament.</i>	<i>Remarks.</i>
1919-1920			
(iii) <i>Ordnungspolizei</i> — State Police, Communal Police, Criminal and Administrative Police.	92,000		Duties as in 1914; the duty of maintaining public order in case of disturbances had, however, largely been transferred to the <i>Sicherheitspolizei</i> .
October, 1921			
(i) <i>Gendarmerie</i>	17,000	As in 1914	As in 1914 and 1919.
(ii) The Unified Police Force— <i>Schutzpolizei</i>	? 100,000	Armament laid down by Inter-Allied Military Commission of Control; given in paragraph 2 below.	Duties as given in para- graph 2 below; formed as described in para- graph 2 below.
Communal and Admini- strative Police; Crimi- nal Police.	? 50,000	Armament laid down by Inter-Allied Military Commission of Control; given in paragraph 2 below.	The remains of the Com- munal Police are to be incorporated in the <i>Schupo</i> . See paragraph 2 below.

2. *The Schutzpolizei (Schupo)*

(a) *General*.—In October, 1920, the German Government issued a scheme for the reorganization of the German police forces.

Under this scheme a unified Police Force was constituted for the whole of Germany, and the *Sicherheitspolizei* and the former *Ordnungspolizei* (Blue Police) were in the following months transferred to the new force (the *Schupo*).

The unified Police Force contains three main divisions:—

- (i) *Schutzpolizei*.—Armed Constabulary for all work connected with public security and order.
- (ii) *Verwaltungspolizei*.—Administrative and Communal Police.
- (iii) *Kriminalpolizei*.—Criminal Investigation Police.

Categories (ii) and (iii) are largely to be plain clothes police. In addition there are the *Reichswasserschutz* or Federal Water Police.

The armament sanctioned for the Police by the Inter-Allied Military Commission of Control is as follows:—

Rifles or carbines	1 per 3 officials, <i>i.e.</i> , 50,000.
Pistols and swords (or bayonets)	1 for each official.
Automatic pistol-rifles	1 per 20 officials.
Armoured cars with 2 heavy machine-guns each	1 per 1,000.

This does not include the armament of the *Gendarmerie*, who have been allowed 17,000 rifles by the Inter-Allied Military Commission of Control; it also does not include rifles allowed for Forest Guards, Customs Guards, &c.

The Inter-Allied Military Commission of Control have never considered the *Gendarmerie* as a military Force.

Note.—During the winter of 1920–21 the new Police Force was organized, and in 1921 practically all surplus armament has been surrendered.

(b) *Commands and Staffs.*—The Inter-Allied Military Commission of Control are not satisfied with the reorganization of the German Police, and consider that the *Schupo* represent a mobile military force with centralized commands and staffs.

They have, therefore, demanded that all centralization shall cease and that all higher staffs should be disbanded.

The Commission also consider that the equipment of the Police is on too large a scale, and have issued orders for it to be reduced considerably; in particular, signalling *matériel* is to be withdrawn.

(c) *Effectives.*—The question of Police effectives presents great difficulties to Control.

The Germans at first worked on the assumption that the establishment of 150,000 police, sanctioned by the Inter-Allied Military Commission of Control, only referred to *uniformed* police, and excluded all plain clothes police. The Inter-Allied Military Commission of Control have decided that the total of 150,000 must include every variety of Police; this the Germans have now accepted.

Control is made difficult by the fact that the police organization differs in the various States, and that in many districts the reorganization of the old Blue Police into *Schupo* units has not been entirely carried out, and in certain areas old and new police organs exist side by side.

Until control of the police has been carried out, it is difficult to obtain accurate figures showing the proportion of armed constabulary (*Schupo*) to administrative, communal and criminal police.

A rough estimate can be made as follows:—

Prussia has a total of 85,000 police, of whom 57,000 are to be *Schupo*. There should, therefore, be about 98,000 *Schupo* in the total of 150,000 allowed for Germany.

In addition, the establishment of the *Reichswasserschutz* is 2,200.

The total armed constabulary in Germany should, therefore, be about 100,000; in addition there are 17,000 Gendarmerie.

The Germans are also asking for an increase of police establishment to provide police for the East Prussian and Upper Silesian plebiscite areas; this is still under discussion.

(d) *Organization.*—The German Government has issued instructions with regard to length of service in the police, suppression of transfers between the police and army, suppression of aerial formations and the limitation of annual discharges in the police, which are satisfactory.

The German Government has issued orders for the surrender of all surplus arms and equipment held by the police; practically all arms are reported as having now been handed in.

The Inter-Allied Military Commission of Control are still considering

certain questions regarding the general organization of the police and of the police schools.

(e) *Action by the Inter-Allied Military Commission of Control.*—On 9th September, 1921, General Nollet, President of the Inter-Allied Military Commission of Control, forwarded a strong Note to the German Government demanding immediate satisfaction with regard to the police. Emphasis was laid on the following points:—

- (i) Organization and centralization.
- (ii) Strength and training.
- (iii) Police schools.

The Foreign Office have instructed His Majesty's Ambassador in Berlin to support these demands.

The German Government has now replied to General Nollet's demands, asking for certain further explanations; on the surface, the reply seems satisfactory. The German Government ask, however, for permission to retain a reserve of 17,000 rifles for the police, and to manufacture a number of arms for the police each year.

3. *Gendarmerie, Forest Guards, Customs Guards, &c.*

The following table shows the situation as regards the civil functionaries authorized by Article 162 of the Treaty.

It is not considered that the armament or organization of these functionaries form any military danger.

TABLE
Civil Functionaries authorized by Article 162 of the Peace Treaty

<i>Civil Functionaries.</i>	<i>Numbers of employees armed in 1913.</i>	<i>Numbers of employees armed at present date.</i>	<i>Numbers of armed employees proposed for the future.</i>	<i>Additional rifles therefore required.</i>	<i>Rifles* to be exchanged.</i>	<i>Decisions of I.A.M.C.C.</i>
<i>Gendarmerie</i>	10,726	15,696	17,000	1,304	..	Approved.
<i>Foresters, game-keepers, water guards.</i>	21,794	21,794	21,794	..	2,000	Approved provided armament is same as in 1913.
<i>Customs officials and Revenue officials.</i>	5,373	5,373	5,373	..	3,872	
<i>Employees of Law Courts, Penitentiaries and Prisons.</i>	7,800	9,412	10,360	948	..	The list of prisons which has been demanded must be received before a decision can be given.
<i>Railway guards and railway police.</i>	10,000	8,000	8,000	..	..	Further explanations are asked for.
<i>Government depôts, guards, &c.</i>	..	..	700	700	..	Refused.

* NOTE.—The Germans asked to be allowed to exchange a certain number of old pattern and damaged rifles.

F. FACTORIES AND THE MANUFACTURE OF WAR *MATÉRIEL* IN THE FUTURE

The German Government has accepted the list of factories authorized to manufacture war *matériel* and has promulgated this list. The amount of war *matériel* which the Germans may be permitted to manufacture is still under discussion with the Inter-Allied Military Commission of Control.

Of 7,594 German factories which are reported to have manufactured war *matériel*, 6,629 have been inspected; 4,822 have been given a free certificate. Over 1,900 factories still remain to be inspected, but most of them are small and of little importance.

G. IMPORT AND EXPORT OF WAR *MATÉRIEL*

The German Government has promulgated a new law prohibiting the export and import of war *matériel*. A great deal of war *matériel* was undoubtedly exported in 1919, but it is considered that there is now very little left for that purpose; the export of *Selbstschutz* (unauthorized forces) arms to the Tyrol is mentioned in Section D, paragraph 2 (c) above.

There is also an organization, strength and size unknown, which is in agreement with Sinn Fein to send arms to Ireland. This information is derived from a special source. The Germans have actually discovered a case of arms being sent to Ireland from Hamburg (s.s. 'Annita').

II.—REDUCTION OF THE INTER-ALLIED MILITARY COMMISSION OF CONTROL IN GERMANY AND POST-COMMISSION CONTROL

A. REDUCTION

The question of the reduction of the Commissions of Control in Germany was raised at the Paris Conference.

On 27th September, General Nollet wrote to Marshal Foch, stating that he considered he would be able to reduce the Inter-Allied Military Commission of Control by between 30 to 40 per cent.² by 1st January, 1922. Reductions actually commenced in September. The main reductions are being made in the Armaments Sub-Commission; the Effectives Sub-Commission will practically all be required for several more months to carry out final control of the *Reichsheer*, and to control the police. The small Fortifications Sub-Commission has already been considerably diminished, and will disappear by 1st January, 1922.

By 1st April, 1922, it is considered that a further large reduction will be possible in the Inter-Allied Military Commission of Control; by the Summer

² The Foreign Office copy of this letter gives, in error, the figures '50 to 40 per cent.'

of 1922, it is hoped that it will be possible to abolish the existing Military Commission.

The Naval and Aeronautical Commissions have already been very largely reduced; the Aeronautical Commission can be finally reduced as soon as the question of Post Commission Control is definitely settled by the Allies and accepted by the Germans.

B. POST COMMISSION CONTROL

1. *General*

Under the Treaty Germany agreed to accept any investigation which the League of Nations Council may order.

The future of control in Germany is at present being considered by the Allied Governments. The Foreign Office have always been in favour of reducing control as soon as possible, and have up to recently been opposed to any continuance of control in Germany; the French Government, on the other hand, consider that it is quite useless to expect effective supervision by the League of Nations, and that under the Treaty the Allies have the full right to continue control in Germany for as long as they like. The Foreign Office legal opinion (based on Article 203 of the Treaty) holds that any Post Commission control is illegal under the Treaty, and that any scheme for future control must be accepted by the German Government.

The War Office agree with the French that supervision by the League of Nations would be most unsatisfactory, and that it will be very necessary to keep a close watch on Germany for a certain number of years. The War Office are, however, in favour of an immediate reduction in the Commissions of Control as soon as their work is completed. The War Office are certain that the French General Staff would never agree to the complete withdrawal of control from Germany.

His Majesty's Ambassador at Berlin has frequently urged the necessity for future control in Germany and for the future organ of control to be constituted *with the consent of the German Government*. Lord D'Abernon considers that the Germans would accept such a scheme, if it were pointed out that Germany must take steps to assure the world of her pacific intentions for the future and if some adequate *quid pro quo* were offered by the Allies.

2. *The Future Organs of Control*

The Foreign Office have been in consultation with the War Office, Admiralty and Air Ministry, and a scheme has been drawn up to which it is hoped the French will agree.

It will then be necessary either to negotiate with Germany, if the Foreign Office legal opinion is upheld, or to dictate the settlement to Germany, if the French view is agreed to.

The details of this scheme are as follows:—

(a) The Inter-Allied Naval and Military Commissions of Control to be requested to prepare estimates of exact acts and times necessary to complete disarmament.

(b) The German Government to be notified of the approaching withdrawal of the Inter-Allied Aeronautical Commission of Control; the German Government to be asked to accept the principle of a modified system of military, naval and aeronautical control, as a pledge of future good faith, in return for the withdrawal of the existing Commissions as soon as their work is finished, and possibly some other *quid pro quo*, such as the withdrawal of the military sanctions.

This *quid pro quo* would be given in the event that it is decided that the Allies cannot legally impose further control. If the Allies can legally impose further control, then a *quid pro quo* is unnecessary.

The German Government to be informed that the withdrawal of existing naval and military control would be in any case dependent on the complete execution of any unfulfilled disarmament clauses, of which full details would be communicated to them.

(c) The present Commissions would be succeeded by new Commissions composed of two echelons:—

(i) An advanced echelon in Germany with Headquarters in Berlin, to act as the intelligence organization of the main body, to collect information, report to the Allies and to carry out rapid investigations.

Strength—12–15 officers for the Military Commission, 5 or 6 for the Aeronautical Commission; the British Empire, France, Italy and Japan to be represented as heretofore.

(ii) A main body, the members of which would carry out their normal duties, but would be liable to be sent to Germany to carry out special investigations, if required by the Allied Governments.

The British members of the main body would be earmarked from officers with the Rhine Army; they would only be paid when functioning as a commission.

The main body would only proceed to Germany when ordered by the Conference of Ambassadors (*i.e.*, the Allied Governments).

(iii) Both echelons would be paid by the Allies.

(d) It is believed that the Air Ministry and Admiralty will agree to this system and that the French and other Allies will accept it.

The War Office consider that the new system should be limited to the period of occupation of the Cologne bridgehead; the whole question would then be reviewed again.

APPENDIX I TO No. 836

Tables showing the Surrender and Destruction of War Matériel

TABLE A

War matériel surrendered and destroyed since the commencement of Control, up to 20th October, 1921:—

1. *Guns and barrels of all kinds.*—

Surrendered to the Inter-Allied Military Commission of Control up to 20th October, 1921	33,016
Destroyed by the Inter-Allied Military Commission of Control up to 20th October, 1921	32,943
Surrendered by the Germans under the Armistice conditions, 11th November, 1918	5,000
Guns, under construction, destroyed by the Germans prior to control, the records of which have been checked	6,051
Captured by the Allied Armies between 18th July, 1918, and 11th November, 1918	6,615
Total German guns captured, surrendered and destroyed between 18th July, 1918, and 20th October, 1921	50,682
Remaining for destruction on 20th October, 1921	73

2. *Trench mortars.*—

Surrendered to the Inter-Allied Military Commission of Control up to 20th October, 1921	11,583
Destroyed by the Inter-Allied Military Commission of Control up to 20th October, 1921	11,517
Surrendered by the Germans under the Armistice conditions, 11th November, 1918	3,000
Total surrendered up to 20th October, 1921	14,583
Remaining for destruction on 20th October, 1921	66

3. *Machine-guns.*—

Surrendered to the Inter-Allied Military Commission of Control up to 20th October, 1921	86,545
Destroyed by the Inter-Allied Military Commission of Control up to 20th October, 1921	84,434
Surrendered by the Germans under the Armistice conditions, 11th November, 1918	28,000
Total surrendered up to 20th October, 1921	114,545
Remaining for destruction on 20th October, 1921	2,111

4. *Small arms (rifles and carbines).*—

Surrendered to the Inter-Allied Military Commission of Control up to 20th October, 1921	4,334,203
Destroyed by the Inter-Allied Military Commission of Control up to 20th October, 1921	4,250,967
Remaining for destruction on 20th October, 1921	83,236

5. *Shells, loaded.*—

Surrendered to the Inter-Allied Military Commission of Control up to 20th October, 1921	{ Tons 11,226
Destroyed by the Inter-Allied Military Commission of Control up to 20th October, 1921	{ 35,711,705
Remaining for destruction on 20th October, 1921	{ Tons 10,151.8
	{ 34,972,947
	{ Tons 1,074.2
	{ 738,758

6. *Small-arm ammunition.*—

Surrendered to the Inter-Allied Military Commission of Control up to 20th October, 1921	rounds 449,104,500
Destroyed by the Inter-Allied Military Commission of Control up to 20th October, 1921	rounds 368,618,200
Remaining for destruction on 20th October, 1921	„ 80,486,300

TABLE B

War *matériel* surrendered by the Germans to the Inter-Allied Military Commission of Control since the Spa Conference, 5th July, 1920, up to 20th October, 1921:—

1. Guns and barrels of all kinds	7,076
2. Trench mortars	Not known ³
3. Machine guns	29,476
4. Small arms (rifles and carbines)	2,782,441
5. Shells, loaded	{ tons 10,587
	{ 11,615,207
6. Small-arm ammunition	rounds 187,927,160

TABLE C

War *matériel* surrendered to the Inter-Allied Military Commission of Control since 5th May, 1921, the date on which the Allied Governments' Ultimatum on Disarmament was presented to the German Government, up to 20th October, 1921:—

1. Guns and barrels of all kinds	1,487
2. Trench mortars	1,435
3. Machine guns	8,392
4. Small arms (rifles and carbines)	667,799
5. Shells, loaded	{ tons 720
	{ 3,430,453
6. Small-arm ammunition	rounds 40,393,600

³ *Note on original:* 'The number of trench mortars reported as surrendered by the Inter-Allied Military Commission of Control on 3rd July, 1920, was 23,328.

'This figure included, in error, a large number of spare parts and grenade throwers, and has since been progressively reduced until 21st April, 1921, when the total surrendered was shown to be 10,130.

'Since 21st April, 1921, an additional 1,453 trench mortars have been surrendered.'

APPENDIX II TO No. 836

Tables of Comparative Strengths of the German Army—1914—1918—1921

	1914 Peace Establish- ment.	1914 War Establish- ment.	March, 1918.	1921.
Strength	836,000	..	6,000,000	100,000
Number of divisions . .	50	51 active 32 reserve	242	7
Number of cavalry divi- sions. ⁴	1 Guard Cav. Div. and 55 Cav. Bdes.	11+ divisional cavalry.	10 ⁵	3
Battalions	670	?	2,300	84 (including 12 <i>Ergän-</i> <i>zungs</i> battalions).
Batteries {	Field Artillery ⁶	?	2,900	Field artillery, ⁶ 79 (in- cluding 7 <i>Ergänzugs</i> batteries).
	Heavy Artillery	400	2,250	
Squadrons	550	?	570	97 (including 18 <i>Ergän-</i> <i>zungs</i> squadrons and 7 divisional squadrons).
Number of guns (ex- cluding for- tress guns). {	Field	?	13,000 ⁷	204 field guns.
	Heavy	?	9,000 ⁷	84 field howitzers.
	Anti- aircraft.	?	3,000 ⁷	828 heavy machine guns; 1,418 light machine guns.
Number of machine guns.	1,600	?	32,000 ⁷ heavy machine guns, 37,000 ⁷ light guns.	<i>Police in 1921.</i> — Strength, 150,000. Ar- mament, 50,000 rifles or carbines; 1 pistol, sword or bayonet per man. 7,500 automatic pistol rifles. 300 heavy machine guns (i.e., 2 for each ar- moured car allowed.) <i>Gendarmerie.</i> — Strength, 17,000. Ar- mament, 17,000 rifles or carbines, pistols and sabres. ⁸

⁴ *Note on original:* 'In peace, only one cavalry division existed (the Guard Cavalry Division); in addition, each infantry division was allotted a cavalry brigade.'

⁵ *Note on original:* 'Some of these cavalry divisions had been dismounted by March, 1918.'

⁶ *Note on original:* 'Field batteries include horse artillery batteries.'

⁷ *Note on original:* 'Approximate estimates only.'

⁸ *Note on original:* 'Where blanks are shown, no accurate figures are available.'

No. 837

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received November 12)

No. 1308 [C 21612/37/18]

My Lord Marquess,

BERLIN, November 6, 1921

With reference to Your Lordship's despatch No. 2796¹ of October 29 to His Majesty's Ambassador at Paris, I have the honour to enclose a short memorandum drawing attention to two factors in the discussion, which, though obvious and well-known, are frequently forgotten or ignored. There is no doubt regarding the complete change of the balance of military power in Europe, but many organs of the press in more than one country persistently write on the assumption that nothing has been altered in this connection since 1914.

I have, &c.,
D'Abernon

¹ No. 835.

ENCLOSURE IN NO. 837

Memorandum on Disarmament

The whole question of Disarmament, and the maintenance of control over re-armament, requires to be examined in the light of present circumstances, and not in the light of circumstances which existed previous to 1914. The attitude, therefore, assumed in certain circles that Germany, through survival or revival of her old military organisation and equipment, is today, or will be in the immediate future, a grave military danger to the peace of the world, is a Rip Van Winkle conception, totally inapplicable to present circumstances. The military hegemony of the Continent is to-day with France. The size and efficiency of her present Army would alone be adequate to secure this, but in addition to her own military organisation, she is believed to have created a chain of military alliances or understandings with Czecho-Slovakia, Poland, Yugo-Slavia, and probably Roumania, which enormously enhance her military influence and power.² The precise nature of these military conventions is not accurately known, but there can be little doubt that they aim at ensuring to France co-operation from the Armies of the Little Entente in certain definite contingencies.

The question of disarmament and future control is affected fundamentally by the altered conditions of military force in Europe.

The view has generally been held, that, after the disappearance of the existing Military Commissions of Control, some form of international observation, if not of Control, should be established. With the exception of Article 213 the subject is not provided for by the Treaty of Versailles. That Article runs as follows:—

'So long as the present Treaty remains in force, Germany undertakes to

² See *Survey of International Affairs*, 1924, p. 5.

give every facility for any investigation which the Council of the League of Nations, acting if need be by a majority vote, may consider necessary'.

Since this clause was drafted and adopted, Germany has been thoroughly disarmed and the balance of military power has been further displaced by the above mentioned military agreements.

New dispositions are, therefore, necessary to meet the altered circumstances.

As far as Germany is concerned, any future danger proceeds less from military organisation on the old lines than from the possible discovery of some new means of attack—chemical, aerial or submarine. It is, therefore, of less moment to push to the last dregs, the destruction of old engines of warfare, than to obtain some organisation—allied or international—unilateral or reciprocal—which will give timely warning of new developments.

How this can best be secured is a question of great difficulty, which need not be discussed here.

But it appears certain that an adequate system can only be established by fresh negotiation: it cannot be imposed under Article 213. Fresh negotiation would probably imply some measure of reciprocity, such as that suggested by M. Noblemaire at Geneva.

The main object of this Note is to recall the fact—so often forgotten in current controversy—that the balance of military power has entirely shifted since 1914, and further to suggest that the German danger—whatever its extent—proceeds rather from the region of future invention than from re-armament on the old lines.

No. 838

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received November 17)

No. 3140 [C 21844/37/18]

PARIS, November 15, 1921

My Lord,

I have the honour to acknowledge receipt of Your Lordship's despatch No. 2796 of the 29th ultimo¹ regarding the future organisation of the Military, Naval and Aeronautical Commissions of Control in Germany.

I fully realise the urgency of this question, particularly in so far as concerns Aeronautical control, but before bringing the matter before the Conference of Ambassadors I venture to ask for instructions on the following points:—

At the Supreme Council in August last there were, in so far as concerns aeronautical control, two points of difference between His Majesty's Government and the French Government.² The first concerned the rules proposed for distinguishing between civil and military aircraft. Of the nine rules proposed by the French Government, His Majesty's Government were in

¹ No. 835.

² See Vol. XV, Nos. 103 and 104.

agreement with the first seven, but objected to rules 8 and 9.³ Am I to understand that His Majesty's Government maintain their objection to these two last rules, or that they are willing to agree to them, if in return for this further concession the French Government accept the whole of the scheme now put forward by His Majesty's Government, including the proposal to withdraw the military sanctions.

As regards these sanctions, I observe that Your Lordship's despatch and its enclosures are based on the hypothesis that the consent of the German Government is required for the setting up of the proposed organisation in Berlin, and that therefore a *quid pro quo* must be offered, such as the withdrawal of the sanctions. I have the honour to point out that in so far as aeronautical control is concerned, this view is not shared by the French Government. The latter are of opinion that by their acceptance of the London ultimatum in March [*sic*] last,⁴ which comprised acceptance of the decision of the Supreme Council of January 29th,⁵ the German Government are committed to the acceptance of a permanent control, in a form to be decided on by the Allies, for the purpose of distinguishing between civil and military aviation. Am I to understand that His Majesty's Government do not accept this interpretation of the acceptance by the German Government of the decision of January 29th?

As soon as I receive Your Lordship's instructions on these points I will at once take steps to submit the matter to the Conference of Ambassadors. I would, however, point out that in spite of M. Briand's undertaking at the last meeting of the Supreme Council (which has of course not been divulged here), any proposal for the removal of the military sanctions would raise a storm of protest in this country, and it seems fairly certain that the French Government would refuse even to discuss this matter until the return of M. Briand and Marshal Foch.

In proposing to the Conference that part of the scheme of His Majesty's Government outlined in paragraph 8 of the memorandum enclosed in Your Lordship's despatch under reply, I consider it desirable to elaborate the proposal of His Majesty's Government in as great detail as possible, in order to prevent the opponents of the scheme from confusing the issue by raising unnecessary questions of detail. My Aeronautical Adviser⁶ has accordingly put himself into direct communication with the Air Ministry, with a view to defining the exact constitution of the staff of the Allied body which it is proposed to set up in Berlin, as well as that of the main Allied Commission which is to sit either in one of the Allied capitals or in occupied territory.

In this connection I would venture to point out that in paragraph 8 above-mentioned reference is made to 'the principle of the continuance at Berlin of a small headquarters of the Allied Commission of Control.' I venture to suggest that there can be no question of continuing the Allied Commission of Control as established under the Treaty, once it has been withdrawn at the end of the year, and that the principle which the German Government are

³ See Nos. 799 and 804.

⁵ See No. 799, n. 5.

⁴ For the ultimatum of May 5, see No. 774, n. 2.

⁶ See No. 586, n. 3.

now invited to accept is the establishment at Berlin of a small headquarters of an entirely new Allied Commission.⁷

I have, &c.,
HARDINGE OF PENSHURST

⁷ Referring further to Foreign Office despatch No. 2796 [No. 835], Paris telegram No. 894 of November 23, from Lord Hardinge, ran: 'In view of necessity of settling this question if possible before the end of the year so as to enable the aeronautical commission of control to be withdrawn, I propose to arrange for the proposals of His Majesty's Government to be discussed by the conference of ambassadors on the 2nd. December. I trust that, before that date, I may be furnished with Your Lordship's views as regards the points raised in my despatch No. 3140 of November 15th.'

No. 839

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received November 17, 11.5 p.m.)
No. 525 Telegraphic [C 21950/37/18]

Confidential

BERLIN, November 17, 1921, 5.25 p.m.

My immediately preceding telegram¹ and my despatch No. 1308.²

There would be good probability of obtaining from German Government some declaration on lines similar to those indicated by United States Chargé d'Affaires if such a . . .³ desired.

German Government might not only assure the world of their pacific intentions but go further in the direction indicated in memorandum of British General Staff of November 1st, 1921, see page 12, paragraph 7.⁴

It would certainly be easier to obtain such a declaration now than at a later date while a reassuring statement would seem to possess more value in advance of general disarmament if given today rather than later.

¹ No. 840 below. These telegrams were despatched in reverse order.

² No. 837.

³ The text is here uncertain.

⁴ No. 836, Section II, B (1).

No. 840

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received November 18, 8.30 a.m.)
No. 524 Telegraphic [C 21962/37/18]

Very confidential

BERLIN, November 17, 1921, 8.30 p.m.

I hear privately that United States Chargé d'Affaires here has requested authorisation from his Government to discuss informally with leading circles here desirability of a declaration by Germany promising to assist in general disarmament by land and professing cooperation in objects of Washington Conference.

In his opinion even if such a declaration did not fully realize desire of France for guarantees, it would nevertheless make an excellent impression.

He has so far received no answer.

Personally I should feel inclined to go further.

See subsequent telegram.¹

¹ No. 839. Lord Curzon commented on November 19: '... I am not sure that we want German disarmament which has hitherto been a Supreme Council business to be taken over by Washington and I do not think that in any case we ought to be the protagonists.

'Therefore let us wait to see what the American effects at Berlin.'

No. 841

Lord D'Abernon (Berlin) to the Marquess Curzon of Kedleston
(Received November 24, 5 p.m.)

No. 532 Telegraphic [C 22308/416/18]

Secret

BERLIN, November 24, 1921, 1.30 p.m.

I have received a secret message from Prince Rupprecht of Bavaria to say that monarchical movement has made such progress in Bavaria that an attempt to restore the monarchy, or to make him permanent President, is certain to occur shortly.

He states that he is not taking an active part, but is being carried along. He anticipates that the French will welcome movement as tending to break up Germany, but he will have nothing to do with France if he can help it.

Bavaria can get along all right without the rest of Germany except for coal.

Amongst his alleged objects for giving us early information is the strange idea that we might exercise influence to get him coal.

Prince Rupprecht has little doubt about success in Bavaria. He is hopeful of a similar movement in Rhine, Hesse and Hanover, but much less hopeful about changing republican form of government in Prussia, Baden and Württemberg.

He states that monarchists have no guns, but neither will their opponents have any. The former have, however, enough rifles for the purpose, especially in South Bavaria and peasant districts. He is confident that he can defeat Bavarian Socialist forces as Reichswehr in Bavaria will, he thinks, be sure to join him.

Above message came through Duke of Schleswig-Holstein: and there is little doubt that the message was sent as related.

Whether the position is really as serious as alleged is more doubtful, but I am initiating immediate further enquiry.

His Majesty's consul-general at Munich will be informed.

No. 842

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 3129 [C 21844/37/18]

FOREIGN OFFICE, November 28, 1921

My Lord:—

I have received your despatch No. 3140 of November 15th in regard to the future organisation of allied control in Germany.¹

2. As regards the first point raised by Your Excellency—the rules for distinguishing between civil and military aircraft—it is now felt that in view of the strict limitations to be imposed upon the personnel of the advanced headquarters of the new aeronautical control, the original objections urged against the addition of rules 8 and 9 to the first seven rules are no longer of the same importance.² Provided therefore it is clearly understood that the acceptance of these two rules implies no necessity for any increase in the personnel of the advanced body of the commission, you may, when this matter comes before the Conference of Ambassadors waive the original British objections.

3. As regards the second point raised in your despatch—the view of the French government that it is unnecessary to obtain the consent of the German government to the new control system—the views of His Majesty's Government are fully explained in the note to Section 4 of the memorandum enclosed in my despatch No. 2796.³ The arguments contained in that note seem sufficient to refute the French contention, should it be maintained.

4. The supposition, outlined in the last paragraph of your despatch, is of course correct. The reference to 'a small headquarters of the allied Commission of control' in paragraph 8 of the memorandum enclosed in my despatch No. 2796 was intended to refer to the new control system only.

I am, &c.,

(In the absence of the Secretary of State)

CHARLES TUFTON

¹ No. 838.

² See No. 838, n. 3.

³ No. 835.

No. 843

Mr. Addison (Berlin) to the Marquess Curzon of Kedleston

(Received December 5)

No. 1367 [C 22803/37/18]

Confidential

BERLIN, November 28, 1921

My Lord Marquess,

I have the honour to transmit herewith to Your Lordship, with reference to your despatch to His Majesty's Ambassador in Paris No. 2796 of the 29th ultimo,¹ copy of a memorandum which I have received from Air-Commodore Masterman on the subject of the necessity for an early decision with regard

¹ No. 835.

to air control which will permit of the resumption of the work of civil aviation in Germany.

In conversation with me, Air-Commodore Masterman laid stress on the unfavourable impression created by, and the unfavourable results to be anticipated from, the delay which has taken place in coming to a decision in this matter. He said that it would be quite impossible for him, or for any other air officer, to certify that disarmament had been carried out strictly and absolutely in accordance with the terms of the Treaty of Peace. All that he could say now or at any future date, was that disarmament had been so complete as *practically* to comply with the terms of the Treaty. If, therefore, the Allied Powers decided to wait until such time as a more satisfactory certificate of accomplishment had been given, the resumption of aeroplane construction for civil aviation would be postponed for a very long time. He considered that an early decision was desirable, not merely in fairness to Germany, whose Government had done all that they possibly could since the acceptance of the ultimatum of May last,² but also in the interests of international traffic by air, the development of which was obviously hampered, to a certain extent, by the inability of this country to resume the construction of aeroplanes and to co-operate in the development of international air routes.

I have, &c.,
JOSEPH ADDISON

² See No. 774, n. 2.

ENCLOSURE IN No. 843

Air-Commodore Masterman (Berlin) to H.M. Ambassador (Berlin)

AERONAUTICAL INTER-ALLIED COMMISSION OF CONTROL,
BERLIN, *November 26, 1921*

Memorandum

The present delay in arriving at a decision concerning the future of civil aviation in Germany is beginning, in my opinion, to have certain political consequences.

Since the German Government accepted the Ultimatum of London in May last, no serious difficulties or disputes over the execution of the Air Clauses have arisen, and I believe that the German Government has done what it possibly can to discover any remaining concealed material, and that very little more work remains for the Commission to do.

In spite of this, however, owing to the delay in arriving at decisions concerning the future of civil aviation, the German Government and the German Aircraft Industry see themselves apparently no nearer the date on which aircraft construction may recommence in Germany than they were previously.

This is liable to cause re-action, and be one, perhaps only a small, but nevertheless not entirely negligible, factor in attacks on the Wirth Cabinet for doing its best to meet the Allies' demands.

The argument being 'What have we gained by doing our best to fulfil the Allies' demands' (which in this case:— viz. of aircraft construction it must be remembered are considered to be unjust by the German Government and Industry) 'the more we give in, the more they want, and then they don't hold to their side of the bargain'.

The continued suppression of the German Aircraft Industry is attributed not to the requirements of the Peace Treaty but to fear on the part of the Allies of Germany's competition with civil aircraft.

What is wanted urgently at the present moment is to be able to tell the German Government the following:—

- (a) When they will be allowed to build.
- (b) What they will be allowed to build.
- (c) What compensation they have got to pay for the Zeppelins destroyed in 1919, and
- (d) What arrangements are going to be come to about the military sheds left intact in Germany for the purposes of International Civil Aviation, and as to the large constructional shed at Friedrichshafen wanted by the Americans.

It is supposed here (in the Commission) that these decisions are being purposely held up by a certain Government until the question of the 'constant supervision' of German civil aviation is completely settled, in order that there should be no hiatus between the withdrawal of the Commission of Control, and the new body commencing to function.

I would respectfully submit that the British Government should endeavour to have the decisions on the points mentioned *finally settled as soon as possible, and communicated to the German Government.*

E. A. MASTERMAN
Air-Commodore, R.A.F.
President, I.A.A.C.C.

No. 844

Mr. Seeds (Munich) to the Marquess Curzon of Kedleston
(Received December 2, 11.20 a.m.)

No. 33 Telegraphic [C 22722/416/18]

MUNICH, December 1, 1921, 5 p.m.

Berlin telegram No. 532¹ of which I received a copy on November 29th.

No reason whatever to fear serious monarchical movement in immediate future. Prince Ru[p]precht has (? repeatedly) and recently declared himself against violent action thereby voicing the opinion of the overwhelming majority of conservatives. The latter consider monarchical prospects so certain of eventual success by peaceful development in Bavaria that they are opposed to compromising their cause by a putsch which would at this moment be regarded as treachery to Germany. Any attempt now by

¹ No. 841.

irresponsible fanatics would not meet with support from serious quarters and would be doomed to failure.

The most that can be said is that conservatives fear recent food riots in Berlin² may mean the collapse of law and order in the north before the end of the winter in which case monarchical action here to save Bavaria and Germany might ensue.

For the present the Prince's so-called message is read only as the expression of optimistic views based largely on his experiences at ex-king's funeral.³ According to Berlin telegram he is apparently oblivious of socialist strength in northern Bavaria and also of his opponent's best weapon, a general strike.

Repeated to Berlin.

² See *The Times*, November 19, p. 7.

³ Ex-King Ludwig III of Bavaria had died on October 18.

No. 845

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received December 3)

No. 925 Telegraphic: by bag [C 22731/37/18]

PARIS, December 2, 1921

Your despatch No. 2796.¹

The Conference of Ambassadors had before it my memorandum enclosed in my despatch No. 3318² putting forward the proposals of His Majesty's Government in regard to the organisation of some form of military and aeronautical control in Germany on the withdrawal of the present Commissions of Control. Monsieur Cambon stated that as Monsieur Briand was to return this evening, the French Government considered it necessary to postpone until his return the examination of the questions raised in my memorandum, not only as regards the proposals relating to the Commission of Control and the withdrawal of the military sanctions but also as regards the advisability of entrusting the Conference of Ambassadors with the task of settling these questions. He therefore asked the Conference to withdraw this question from the agenda until he was in a position to state the views of the French Government.

No other source was open to me but to acquiesce in this request but I think it right to warn Your Lordship that the French Government evidently intend to postpone as long as possible any discussion of this question and with this object are evidently going to question the competence of the Conference of Ambassadors. Such delay will be all the more regrettable since I understand that the Aeronautical Commission of Control has finished all its work and could be withdrawn at once, but as long as the question of the form of control to be set up after it is withdrawn remains unsettled it is impossible for me to insist upon its being wound up. I need hardly point

¹ No. 835.

² Of December 2, not printed.

out that if the French do adopt a policy of procrastination it will be because the question of the withdrawal of the military sanctions is linked up with that of the Commissions of Control.

No. 846

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received December 8)

No. 938 Telegraphic: by bag [C 22998/47/18]

PARIS, December 7, 1921

My despatch No. 3229¹ respecting proposed construction in Germany of a military airship for the United States.

The United States Embassy are pressing to know whether I am ready to settle this question at the Conference of Ambassadors. Your despatch No. 2746² authorises me to do so on the lines therein laid down. Before, however, taking this step, I should be glad to have an answer to my despatch No. 3229.

The United States Embassy assure me that the Japanese Government have now withdrawn their objections. I have ascertained, however, unofficially from the Japanese Embassy that they have received no instructions in this sense, and that any assurances which Japanese delegates may have given at Washington are subject to approval by the Japanese Government. I shall be glad of any information which Your Lordship may have on this point, before the question is raised again.

¹ Of November 23, not printed. In this despatch Lord Hardinge enclosed a memorandum by his Assistant Aeronautical Adviser, in which Major Groves examined 'in detail the various technical and legal arguments which would justify the Allied Governments in rejecting the request of the United States Government'.

² Of October 24, not printed. This despatch ended with the words: 'Your Excellency may consent to the request of the United States Government, subject to the conditions set out in my telegram to Washington No. 606 [No. 832].'

No. 847

The Marquess Curzon of Kedleston to Sir A. Geddes (Washington)

No. 720 Telegraphic [C 22998/47/18]

FOREIGN OFFICE, December 9, 1921, 6 p.m.

Your telegram No. 673¹ (of October 17th. German dirigible for America).

His Majesty's Ambassador at Paris has been assured by United States embassy there that Japanese government have withdrawn their objections; but Japanese embassy say unofficially that they have received no instructions in this sense and that any assurances given by Japanese delegates at Washington are subject to approval by Japanese government.

Any information you may be able to obtain on this point will be useful.

¹ No. 833.

No. 848

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 706 Telegram: by bag [C 22998/47/18]

FOREIGN OFFICE, *December 9, 1921*

Your telegram No. 938¹ (of December 7th, American claim for German dirigible).

Technical arguments in your despatch No. 3229 of November 23rd² do not at present stage alter situation, since we have on political grounds already waived our objections to American claim. Air Ministry concur.³ Please, therefore, act on my despatch No. 2746.⁴

¹ No. 846.

² See No. 846, n. 1.

³ In a minute of December 8, Mr. H. W. Brooks stated: 'I have consulted the Air Ministry on this and they agree that the considerations set forth in Major Groves' memorandum do not alter the position.'

⁴ See No. 846, n. 2.

No. 849

Record by Mr. Waterlow of a conversation with the German Ambassador

[C 23268/47/18]

FOREIGN OFFICE, *December 12, 1921*

The German Ambassador called to-day to say that his Government attach the very greatest importance to a satisfactory solution of this question.¹ He enlarged upon the entirely peaceful objects served by these works, and mentioned that their harmlessness had been guaranteed by the inspection of a deputation from a recent international labour congress at Geneva. The German Government entirely failed to understand why General Nollet was demanding their suppression. German public opinion was much excited on the subject, and there was grave fear that, if General Nollet's demands were carried out, unemployment on a large scale would be the result.²

S. P. WATERLOW

¹ The question of the *Deutsche Werke* (see No. 810, n. 6). On November 28, Dr. Sthamer had communicated to the Foreign Office a copy of a Note of November 16, not printed, which the German Government had submitted to the Conference of Ambassadors. This Note cited numerous decisions of the Inter-Allied Military Commission of Control and stated that they ran counter to the Note of February 10, 1920, of the Conference of Ambassadors authorizing the *Deutsche Werke* (see Vol. X, No. 8). On November 21 the Allied Military Committee of Versailles met to hear protests from German officials against these decisions. According to Major-General Sackville-West's report of November 22 to the War Office, Herr Schaffer, a German Treasury official, stated that 'the latest demands of the Inter-Allied Military Commission of Control, if insisted upon, would stop all economic development in Germany and by causing unemployment would increase the number of Socialists and thus constitute a political danger'.

² In a report of November 8, not printed, Major-General the Hon. Sir F. R. Bingham, of the Control Commission in Berlin, informed the War Office as follows: 'The chief

trouble with which the Armaments Sub-Commission is now confronted is that of the question of the *Deutsche Werke* [sic] in respect of which propaganda is being carried on in the newspapers for the purpose of inciting the workmen not to obey our orders, chiefly at Erfurt and Spandau. The enclosed Memorandum [not printed] will show the situation and that the propaganda is entirely unfounded. I am about to try and get the Commission to take up the question of issuing a *dementi* of this business.'

No. 850

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received December 14, 4.20 p.m.)

No. 952 Telegraphic [C 23354/47/18]

PARIS, December 14, 1921, 1.45 p.m.

Your telegram No. 706.¹

United States ambassador is going to bring up again at conference of ambassadors on December 16th the request of United States government for permission to construct military airship in Germany.

From conversation I happened to have with Japanese ambassador, I understand that at present he has instructions to acquiesce in the event of his receiving no support at conference in opposite sense.

I propose therefore to agree to request being granted but in doing so I shall invite conference of ambassadors to place on record view that construction of this airship shall not be considered as a reason for prolonging life of aeronautical commission of control.

If Japanese ambassador reserves right for his government to order a similar airship in Germany, I shall withdraw my consent to United States government's request pending further instructions from Your Lordship.

¹ No. 848.

No. 851

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 717 Telegraphic [C 23354/47/18]

Very urgent

FOREIGN OFFICE, December 16, 1921, 5 p.m.

Your telegram No. 952¹ (of December 14. German dirigible for United States government).

Proposal to agree to American request is approved.

We deprecate withdrawal of consent if Japanese reservation foreshadowed in last paragraph of your telegram is made. Reservation will probably have no effective sequel.

¹ No. 850.

Memorandum on Rights of British Shipping under the Treaty of Versailles¹

[C 23444/289/18]

1. In March, 1916, Mr Runciman (then President of the Board of Trade), appointed a Committee under the Chairmanship of Sir Alfred Booth to consider the position of British Shipping and Shipbuilding after the War, especially in relation to international competition and to report what measures, if any, were necessary or desirable in order to safeguard that position. The Committee in a unanimous report stated that 'most of the problems connected with German Marine competition may be traced, directly or indirectly, to the enormous influence enjoyed by the German Lines in the North Atlantic trade, which was due primarily to their abuse of the Control Stations. The satisfactory solution of that question is, accordingly, the key in many respects to the solution of the other problems'. It should be explained that the Control Stations were frontier posts established originally and ostensibly on sanitary grounds for the disinfection of emigrants of non-German nationality who passed across Germany in transit to other countries and especially the United States of America. The Stations were managed by the Hamburg-Amerika Line and the North German Lloyd who contrived to divert to their own ships the bulk of this traffic which has been described as 'the backbone of the Atlantic passenger business'.

2. The Committee made strong recommendations in favour of the abolition of these abuses and their recommendations received the general approval of His Majesty's Government, with the result that there were inserted in the Treaty of Versailles provisions (1) to secure complete freedom of transit across Germany for all persons of non-German nationality and (2) to secure also to the lines of the Allied and Associated Powers full national treatment in the carriage of Germans from and to Germany. (Articles 273, 321, 322 and 327).

3. On one pretext after another the German Government failed to carry out their obligations under these provisions and it is understood that the Prime Minister discussed the matter with M. Briand at the Lympe Conference which preceded the sending of the Ultimatum to Germany in May last. At about the same time discussions took place between the Board of Trade and the French Ministry of Marine and a joint Anglo-French memorandum was drawn up and submitted to the two Prime Ministers. This memorandum contained the following recommendations:—

'These articles (i.e., the provisions of the Versailles Treaty above referred to) are so clear that it is proposed that the German Government should withdraw their claim to the right to grant licences to Allied Vessels carrying passengers who have passed across German territory on production of

¹ A copy of this undated Memorandum, drawn up in the Board of Trade, was received in the Foreign Office on December 16, 1921.

proof that these vessels have obtained a national certificate of fitness. If the German Government maintain that for sanitary reasons it is necessary that transmigrants should be inspected while crossing the frontier into Germany it is proposed that the Allied Governments should insist that a consular or other representative of the Allied Governments should have the right at all times to be present at such inspection.

‘As regards traffic originating in Germany, whether of German nationals or persons of other nations resident in Germany, the Germans should be required to treat Allied Ships in exactly the same manner in every respect as German Ships in view of the provisions of Article 327 of the Treaty. If at any time the German Government desire to restrict the emigration of German nationals from Germany this should be done by means of passports or similar regulations and not by a restriction of the licences to shipping’.

4. Express conditions were, accordingly, inserted in the Ultimatum of May last, with which the German Government undertook to comply. They have not yet done so and are continually procrastinating, in the hope no doubt that they will be able to play off one interest against another and so evade compliance with the Treaty provisions altogether.

5. As the Germans are now seeking accommodation on the Reparation Question, I most strongly recommend that use should be made of any discussions with them for the purpose of securing their complete and final acquiescence in the Treaty provisions to which I have referred. I accordingly propose—

- (1) that they should be required to give effect to the recommendations of the Anglo-French Memorandum quoted above;
- (2) that this should be construed as meaning that British vessels (as well, of course, as French vessels and vessels of the other Allied and Associated Powers) holding a proper certificate of fitness from their Governments shall, so far as the German Government are concerned, be entitled to carry (a) transmigrants, (b) persons of non-German nationality resident in Germany, and (c) German nationals, authorised by the German Government to leave Germany at the option of the passenger, (i) from any German port from which emigrants of that class or description are allowed to sail, (ii) from any other Continental port (such as Antwerp or Havre), and (iii) from ports in the United Kingdom after transhipment;
- (3) that, for the purpose of preventing further evasion, the above proposals should have effect as from January 1st, 1922.

6. It is understood that the Belgian Government, at the request of H.M. Government have arranged with the Red Star Line not to accept any separate German proposals, and it is of course important that the Allied Governments should continue to act together in this matter.

7. The relevant provisions of the Treaty of Versailles are annexed hereto.²

² Not printed. The annexed articles were Nos. 321, 322, 327, and 273.

Sir M. Cheetham (Paris) to the Marquess Curzon of Kedleston
(Received December 17, 8.30 a.m.)

No. 956 Telegraphic: by bag [Confidential/General/199/4]

PARIS, December 16, 1921

The conference of ambassadors met this morning under the presidency of Monsieur Jules Cambon and considered the following questions: . . .¹

2. As foretold in my telegram No. 952² the United States ambassador submitted a resolution (copy of which is enclosed in my despatch No. 3486)³ on the subject of the manufacture in Germany of a military airship for the use of the United States government. The Japanese ambassador having stated that his government were prepared to agree to the United States government's request, I stated that His Majesty's government likewise concurred, provided that a further clause was added to the effect that the construction of this airship shall not be advanced as a reason for prolonging the existence of the present aeronautical commission of control in Germany, seeing that the system of aeronautical control to be set up after the withdrawal of the present commission will furnish the allied governments with the necessary means for supervising the proceedings of the factory where this airship is to be constructed. This was agreed to. I further proposed putting in a caveat to the following effect:

'In spite of the assurance of the United States government that the airship is to be devoted to purely civil purposes, I would like it clearly recognised that the principal allied powers have the right, should they so desire, of obtaining a full set of the plans of the airship as part of the reparation in kind for the zeppelins destroyed in 1919, and to which they are entitled under the protocol of London dated 30th June, 1921.'

This was also agreed to.

3. General Nollet, president of the military commission of control in Germany, explained to the conference the situation which has arisen with regard to the transformation for civilian purposes of the former state factories now known as the 'Deutsche Werke.' The commission of control have made various rules for the purpose of restricting the undue development of these factories and of preventing the manufacture of certain articles which might have a military value. The German government have protested against these rules.⁴ Moreover, the German trades unions have intervened, pointing out that these restrictions will have the effect of throwing out of work a certain number of workmen. The commission of control realise by experience that the disarmament of Germany and the general enforcement of the military clauses of the treaty of Versailles are largely dependent upon the goodwill and co-operation of the German working classes. They hesitate,

¹ The sections omitted referred to other matters.

³ Not printed. See *F.R.U.S.*, 1921, vol. ii, p. 69.

² No. 850.

⁴ See No. 849, n. 1.

therefore, to antagonise them by enforcing strictly the above rules, although they still consider them necessary from a purely military point of view. The whole position has been examined by the allied military committee of Versailles, and the history of these discussions and the conclusions arrived at are set forth in my despatch No. 3485.⁵ Compare also your despatch No. 3133.⁶

The conference were invited to-day to approve the unanimous decision of the allied military committee of Versailles (likewise enclosed in my despatch No. 3485)⁵ to the effect that the rules laid down by the commission of control should be confirmed, but that the alterations which they would entail can be postponed without inconvenience until the allied military control ceases to be effective, and that in any case the alterations should be postponed in such a way as not to injure the special interests of German labour. At the same time the commission of control should be given authority to regulate direct with the German government all questions of detail arising out of the German note of the 16th November⁷ enclosed in Lord Hardinge's despatch No. 3251.⁵

As this question interests Belgium and as the Belgian ambassador was not present, it was decided to adjourn the question until the next meeting on December 21st. I should be glad, therefore, to learn before then whether His Majesty's government have any observations to make with regard to the proposals put before the conference. I would point out that these proposals have the support of the French government.⁸

The question raised in your despatch No. 2379⁵ regarding the disposal of the scrap and superfluous machinery arising out of the alteration to be made in the Deutsche Werke, was not dealt with by the conference. . . .⁹

5. The conference considered a statement prepared by the allied military committee of Versailles at the request of Lord Hardinge, showing the various recent instances of the concealment of arms and munitions in Germany (copy of this statement is enclosed in my despatch No. 3438 of December 13th).⁵ On the strength of Your Lordship's despatch No. 3289⁵ I informed the conference that His Majesty's ambassador at Berlin had already been instructed¹⁰ to make representations on the subject to the German government. . . .⁹

⁵ Not printed.

⁶ Of November 29, not printed. This despatch transmitted to Paris a War Office letter of November 18 enclosing a report from Major-General the Hon. Sir F. R. Bingham at Berlin, dated November 8, on which see No. 849, n. 2.

⁷ See No. 849, n. 1.

⁸ Mr. Waterlow minuted on December 20: ' . . . it looks very much as if the reason for French acquiescence in the present arrangement is that it will ultimately afford an argument for continuing the control commissions.'

⁹ The sections omitted referred to other matters.

¹⁰ Despatch No. 1274 to Berlin of December 10, not printed, a copy of which was sent to Paris.

Mr. Addison (Berlin) to the Marquess Curzon of Kedleston
(Received December 21)

No. 1404 [C 23719/13/18]

BERLIN, December 17, 1921

My Lord Marquess:—

I have the honour to acquaint Your Lordship that I took the occasion of a visit to the Secretary of State on the 15th instant to raise the question of the new German Army Training Manual, which formed the subject of your despatch No. 1258 of the 7th instant.¹ I drew attention to the passages to which objection had been taken, and to the unfortunate impression which was bound to be created by the general tendency of this document, taken in connection with the German Army Order of the 1st January last.² I pointed out that it was a matter of common knowledge that the chief obstacle which lay in the way of the reduction of land armaments was the apprehension felt in France that Germany contemplated aggressive action in the future. I could imagine nothing more calculated to foster and encourage this belief, and consequently to injure German interests, than these official German statements which had given rise to the protest of the Military Interallied Commission of Control. Speaking for myself and with the liberty permissible in a private conversation, I ventured to express the opinion that the issue of such documents at the present time was so foolish and dangerous, that it was hardly conceivable that anyone acting in the interests of Germany should have sanctioned it.

Herr von Haniel said that his attention had already been called to the matter. Personally, he agreed entirely with my observations. The only excuse which could be put forward was that the documents in question had been drawn up and issued by persons who were entirely occupied with the technical questions involved, and were not trained to consider their professional interests from the point of view of diplomacy or of international relations. He would see what could be done to correct the unfortunate impression which had been aroused, and in particular whether the objectionable regulations could not be withdrawn and amended in a manner satisfactory to the Allies.

I have, &c.,
JOSEPH ADDISON

¹ This despatch, not printed, transmitted to Berlin a copy of a War Office letter of November 30 enclosing a letter from the President of the Inter-Allied Military Commission of Control to the German Foreign Office and Notes on the contents of a new German Army Training Manual entitled 'Rules for fighting and for the conduct of troops of all arms'. Mr. Addison was requested to bring home to the German Government the 'folly and danger' of including rules to which the Military Commission, supported by the War Office, took grave exception.

² German Army Order No. 1400, dated January 1, 1921, published in *Heeresverordnungsblatt* No. 79 of December 30, 1920. This order had stated that the present army should, in time of danger, form an army of cadres for a nation in arms.

No. 855

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 724 Telegraphic: by bag [C 23502/226/18]

FOREIGN OFFICE, *December 20, 1921*

Your telegram No. 893, section 5¹ (of November 23rd. Construction of light cruiser by Germany).

As result of consideration of question by Cabinet and Committee of Imperial Defence it has been decided that in order to facilitate German reparation payments German request should be granted.

Your Excellency is authorized to support this view when question next comes before Ambassadors' Conference.

¹ In this telegram Lord Hardinge stated that he had asked the Conference to adjourn discussion of this question pending the receipt of instructions from Lord Curzon.

No. 856

The Marquess Curzon of Kedleston to Lord Hardinge (Paris)

No. 728 Telegraphic: by bag [C 23490/47/18]

FOREIGN OFFICE, *December 21, 1921, 6 p.m.*

Sir M. Cheetham's telegram No. 956 of December 16, section 3.¹ Deutsche Werke.

Your Excellency is authorised to acquiesce in the solution proposed, to which we see no reason to object, and on which we have no observations to offer.

If, however, the enforcement of the decisions of the control commission is to be indefinitely postponed, it will be well to bear in mind the importance of not allowing this to be eventually used as an argument for prolonging the existing system of military control in Germany.

¹ No. 853.

No. 857

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston

(Received December 23, 8.30 a.m.)

No. 963 Telegraphic: by bag [Confidential/General/199/4]

PARIS, *December 21, 1921*

The conference of ambassadors met this morning under the chairmanship of Monsieur Jules Cambon and considered the following questions. The Belgian ambassador also attended. . . .¹

¹ The sections omitted referred to other matters.

5. The conference approved a unanimous recommendation of the naval advisers to grant a final extension of time to March 31st, 1922, within which Germany is permitted to convert and instal for commercial purposes the submarine diesel engines remaining (see my telegram No. 318, paragraph 5 of May 25th).²

6. The question of the Deutsche Werke (see Sir M. Cheetham's telegram No. 956, paragraph 3, December 16th)³ was again adjourned, as the Belgian ambassador raised the question of fixing a time limit within which the alterations in the works must be carried out. The conference took exception to any such time limit, as they considered that it would destroy the whole value of the concession it is now proposed to make to Germany. This concession, involving as it does some sort of permanent control, may, at some future date possibly be used as a means of inducing the German government to agree to a form of control such as suggested in Your Lordship's despatch No. 2796 of October 29th.⁴ . . .¹

² No. 784.

³ No. 853.

⁴ No. 835.

No. 858

Lord Hardinge (Paris) to the Marquess Curzon of Kedleston
(Received December 30, 8.30 a.m.)

No. 978 Telegraphic: by bag [Confidential/General/199/4]

PARIS, December 28, 1921

The conference of ambassadors met this morning under the chairmanship of Monsieur Jules Cambon and considered the following questions. A representative of the Belgian Embassy was also present. . . .¹

5. The representative of the Belgian Embassy maintained the view of the Belgian government as expressed at the last meeting (see my telegram No. 963, paragraph 6 of December 21st)² that a time-limit should be fixed in which the transformation of the Deutsche Werke should be carried out. Marshal Foch and General Nollet both objected to such a restriction being placed on a concession which it is proposed to make, and eventually the conference decided by a majority vote to reject the Belgian proposal and to adopt General Nollet's scheme in its original form (see my despatch No. 3485 of December 16th).³ . . .¹

7. The question has arisen as to the size of the police force the German government are to be allowed to retain in the plebiscite territories handed back to Germany. The commission of control proposed to fix the strength of the police forces in these territories at about double of those existing in 1913; following thereby the analogy of the concession made to the German government in regard to the police in the note of the supreme council of June 22nd, 1920.⁴ On the recommendation of the allied military committee

¹ The sections omitted referred to other matters.

² No. 857.

³ Not printed.

⁴ Document No. 168 in Cmd. 1325 of 1921.

of Versailles, however, the conference decided that as the German police has not yet been organized on the lines laid down by the above-mentioned supreme council's note, no further concessions in the matter of the police should be made until the German government have carried out the requirements of the supreme council on the subject as set forth in the supreme council's note of May 2nd [5th] 1921.⁵ In the meanwhile the police forces in the plebiscite territories shall not exceed those existing in these territories in 1913; and if at any time reinforcements are required, the German government are to make use of the Reichswehr and not of other local police forces. A copy of the allied military committee of Versailles' report is enclosed in my despatch No. 3591.⁶ . . .⁷

13. I invited the conference to address a further note to the German government on the subject of the non-liability of allied nationals to pay German capital levy. This note will be drawn up on the lines indicated in Your Lordship's despatch No. 3004 of November 17th.⁸

⁵ See No. 774, n. 2.

⁶ Of December 28, not printed.

⁷ The sections omitted referred to other matters.

⁸ This despatch transmitted a copy of a Board of Trade letter of November 11 requesting that the question of the Reichsnotopfer tax (see No. 649) be taken up again by the Conference of Ambassadors in view of a German Ministry of Finance Order of March 7, which was contrary to the provisions of the peace treaty, and the failure of the German Government to reply to the Conference note of July 27. The despatch informed Lord Hardinge that Lord D'Abernon was being instructed to renew representations to the German Government, and requested him to bring the question before the Conference of Ambassadors.

No. 859

Memorandum by Mr. Wigram on the future of control and the continuance of the 'military sanction'

[C 24133/37/18]

FOREIGN OFFICE, *December 30, 1921*

Both these questions—the future of control and the 'military sanction'—were discussed at the Supreme Council in August 1921.¹ Both questions were adjourned, the first owing to a deadlock between the French and ourselves, the second owing to M. Briand's refusal to countenance the raising of the 'military sanction' at the same time as that of the Rhineland customs barrier.

2. With a view as far as possible to meeting French opinion on the question of control, the memorandum, annexed to Foreign Office despatch to Lord Hardinge 2796 of October 29th,² was prepared. The principle of an advanced control organisation inside Germany was conceded. In return it was hoped that the French would consent to a concession in the matter of the 'military sanction', more especially as M. Briand had actually promised consideration of this question at the next meeting of the Supreme Council, and as the offer of the withdrawal of the 'sanction' would be a valuable means of obtaining German consent to the new control.

¹ See Vol. XV, Chap. VI.

² No. 835.

3. The French refused to discuss either matter at the Conference of Ambassadors.³ Supreme Council decisions are therefore apparently the only means of settlement.

4. The British proposals, which are explained in detail in the annex to Foreign Office despatch to Paris 2796,² are, in brief, as follows:

(a) naval and military control commissions to state in detail their remaining work and time required for its execution. (N.B. Strengths of these commissions are: naval, October 1921, 178 (? all ranks); military, December 1921, 270 officers, 476 men.)

(b) German government

(i) to accept as a pledge of good faith, new aeronautical, (and eventually new military) control to supervise general aeronautical situation, and, especially, observance of the seven rules⁴ for distinguishing between military and civil aircraft, manufacture of latter of which will, within three months, be permitted. (N.B. Air Ministry want rules 8 and 9⁵ opposed.)

(ii) to be informed, in return for the 'pledge' of the new control, of raising of 'military sanction'.

(iii) to be warned that naval and military disarmament must be completed before withdrawal of existing military and naval control, and to be given naval and military commission's statements and timetables on these matters (see 4.a. above).

(iv) to be told that Article 213 will, on completion of naval disarmament, satisfy allies as regards naval control, and that question of new military and aeronautical control will be re-examined with evacuation of Cologne bridgehead.

5. A settlement of the future of aeronautical control at least is daily becoming more urgent for the following reasons:—

(a) The work of the existing commission is complete, and the maintenance of the commission on its present basis is uneconomical.

³ See No. 845.

⁴ See No. 804.

⁵ See No. 805. On December 21, Mr. W. F. Nicholson, of the Air Ministry, communicated the following to the Foreign Office: 'I am commanded by the Air Council to refer to their letter of the 28th ult. [not printed], regarding the future organisation of the Aeronautical Commission of Control in Germany. In that letter the Council stated that they were prepared to accept Rules 8 and 9 of the proposed Rules for distinguishing between civil and military aircraft, on condition that their adoption did not involve any increase in the size of the Commission beyond the numbers required for the purpose of supervising compliance with Rules 1 to 7.

'2. The Air Council have, however, now received information from the Air Adviser in Paris from which it is clear that the interpretation which would be put by the French upon Rules 8 and 9 would be of a kind which it would be impossible to make effective without setting up a control organisation considerably larger than anything that the Air Council think it would be advisable to accept, and one which would be both costly and vexatary. It would, however, be difficult to meet a French contention that such an organisation is essential if Rules 8 and 9 are to be seriously interpreted.

'For these reasons the Air Council have come to the conclusion that it would be highly desirable to maintain the objection to Rules 8 and 9.'

(b) Failure to acknowledge the completion of the work of the existing commission entails maintenance of the ban on the manufacture of civil aircraft in Germany, and penalises the development of international civil aviation.

(c) Failure to raise the ban on the manufacture of civil aircraft or to withdraw the existing control weakens the will of the German government to fulfil their treaty obligations, for in this, one of the few matters where they have at last adhered to the terms of the treaty, they can claim before German opinion no resulting advantage.

6. It is possible that the French, calling attention to the recent difficulties encountered by the control commissions in the execution of their work and to the impending reparation failure, may now argue that the present is not the time for concessions to Germany. Such a contention, judged from the standpoint of previous British policy, could scarcely be admitted.

7. There have, it is true, been recent difficulties with the German government over the technical organisation of the police.⁶ Hidden depots of arms have from time to time been discovered. The work of control has, upon occasion, been deliberately obstructed. The 'Deutsche Werke' factories are actually manufacturing material of potential military value.⁷ A German army hand-book recently appeared to contemplate the use of prohibited weapons and the eventual resurrection of a national army.⁸ The 'Times' newspaper, in articles believed to have been inspired by Mr. Lefebure of the British Dyes Company, has emphasised the potential military danger of the German dye and chemical works.⁹

8. But the substitution—when the time comes—of the new control for that already existing should not (at least the fighting departments have never expressed any opinion to the contrary) increase the dangers already inherent in the existing situation. The new control (which, we hold, is something additional to the treaty) should rather strengthen the hands of the allies and, perhaps also, (which is, at present, possibly equally important) when coupled with the raising of the 'military sanction', the hands of Dr. Wirth.

9. It is unnecessary to argue here the bearing of the maintenance of the 'military sanction' on the payment or non-payment of reparation. Its maintenance can scarcely now act as a spur to the German government in this respect. For the payment of any large sums in reparation must now presumably be a long process involving first a general financial readjustment. The raising of the 'sanction' might indeed be made conditional, in addition to the acceptance of the new control, upon the acceptance of whatever reparation demands the Supreme Council now decides to make upon Germany. But, beyond this, the payment of reparation will surely only be furthered by freeing Germany, where possible, from uneconomical, unnecessary and vexatious military restraint.

⁶ See No. 858.

⁷ See No. 853.

⁸ See No. 854.

⁹ See *The Times*, October 13, p. 8, for a review of Major Lefebure's book *The Riddle of the Rhine*; see also *The Times*, November 16, p. 9.

10. The procedure, to be followed in these matters by the British representatives at the Supreme Council, therefore, seems to be:—

(a) The introduction of general proposals, summarized in paragraph 4 above, and explained in detail in Foreign Office despatch 2796 to Lord Hardinge,¹⁰

(b) The refutation of possible French criticism on the lines of paragraphs 6–9 above,

(c) The reference of the examination of the question in detail and of the drafting of the proposed settlement to the technical experts, who will presumably be at Cannes,¹¹ and who will report their conclusions for final approval.

¹⁰ No. 835.

¹¹ The Inter-Allied Conference opened at Cannes on January 6, 1922

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